

PERSONALS

Mr. A. McDougald, accident manager, Phoenix Assurance Company, London, England, arrived in Montreal recently, where he spent a few days en route to New York. Mr. McDougald is well known in the Dominion as Canadian manager of the British Empire Life for some years, prior to its being merged in the Phoenix Assurance Co. of London. The object of his visit to this side of the water lies in the United States, where he is looking after the extensive interests of the Phoenix, in the accident department, under his control. Canada has had few such able life underwriters of British companies in recent years, as Mr. McDougald was considered to be during his management of the British Empire Life.

Porter—Killed in action in the Argonne Forest, on October 5th, 1918, Lieut. Jas. J. Porter, 10th M.G. Battalion, Fourth Division, only son of W. H. Porter, vice-president of the United States Life Insurance Company, New York.

Mr. Duncan Munro, Cornwall, representing the Royal and other important companies, was in Montreal this week.

CENTURY INSURANCE COMPANY LIMITED Applies for \$30,000 Victory Bonds

Mr. T. W. Greer, manager for Canada Century Insurance Company, Vancouver, writes us that he has been authorized by cable, from Mr. Henry Brown managing director of the Century Insurance Company, Edinburgh, Scotland, to make application for \$30,000 of the 1918 Canadian Victory Loan bonds. This will be all the more appreciated when it is considered that the Company are heavy subscribers to their own British war loans, and also to similar loans in Australia and America. The Century Insurance Company bought \$50,000 of the last Canadian Victory Loan bonds. Mr. Greer also advises us that the Pacific Coast Fire Insurance Company, Vancouver, of which he is also manager, has applied for \$35,000 of the present Victory Loan, which makes the Company's holdings \$136,000 in war bonds.

DISHONOURABLE COMPETITION IN LIFE INSURANCE BUSINESS

Between the business of life insurance and most others there is one vital distinction. If two manufacturers who make a similar article each declare that his own product is more reliable than that of his rival, the demand for that article is not decreased, if it is one in much demand and saleable. Their competition keeps down the price of it within the limits of a trade profit, sometimes even below this standard, to their mutual injury, but to the enlargement of the consumption of the article of which they are rival makers. Probably the competition results in the quality of the product being improved in both establishments, as the struggle incites both to efforts to introduce some specially attractive feature in his goods, or to reduce the cost of manufacture, so as to enlarge his sales at his less ingenious rival's expense. These conditions justify the saying: "Competition is the life of trade."

A number of illustrations could be given to show how rivalry has stimulated invention, encouraged skill and developed the consumption of certain goods. These conditions are not parallel with or akin to those of the life insurance business. The basal rock on which insurance is built, or, to vary the metaphor, its tap-root from which the insurance plant draws its life, is the confidence reposed in the promises made by a life insurance company in its contracts, or policies being fulfilled. Insurance may be said, indeed, to live upon the credit it inspires.

In this feature insurance enterprises are very analogous to banking, as they both live and move and have their being in public confidence. It necessarily follows from these considerations that whatever tends to disturb confidence in life insurance is damaging to the business. If from rivalry a manufacturer disparages his competitor's goods, the buyer can handle goods so disparaged and critically judge of their value. That class of goods is not damaged because one maker slanders those he does not supply. In regard, however, to insurance, the article, so to speak, supplied by all the companies is beyond the critical judgment of the public. Whether the conditions of one company are really more favorable than those of another to the particular person contemplating an application, is a question of which few outsiders can form a correct judgment. The weight in the scales that decides them is usually of a personal nature. If, however, some agent or other official of a life insurance company throws discredit upon the reputation of companies which he does not represent, he is almost certain to engender doubts as to the whole business of life insurance, for few indeed are competent to judge between the claims made by such a disparager and those of other companies. Such an agent or official has practically rested the company he represents upon his own individual character in contrast with that of rival agents. If then in any community this practice of disparaging rival companies is generally adopted, the public are practically invited by the insurance agents to place no confidence in the business, as every company there represented is attacked by those who claim to be judges. When all those outside the sphere of insurance interests see all those within the sphere throwing mud at each other, accompanied by a chorus of warnings addressed to every outsider to avoid all the contestants save one, the spectators and audience must conclude that to stand aloof is desirable. The question becomes natural: What reliance can be placed on life insurance as an institution when each one who represents its interests declares all who are engaged in the business except himself to be unworthy of confidence?

Soliciting agents who attack companies with which the one they represent is competing are apt to find such attacks rebound on themselves like a boomerang. Respect acts reciprocally. He who desires to enjoy esteem and confidence must exhibit them to others. There is a community of interest in the honor and the reliability of life insurance as a system and as an institution which is shared by all who represent this form of beneficent enterprise. Whoever systematically attacks rival companies weakens confidence in his own, for there is such a solidarity of the interests of life insurance as to make damaging attacks upon one company by a rival to some extent prejudicial to all.