

with the expansion of liabilities. Canada has had some experience during the past summer of how unpleasant contraction is. The contraction so much complained about came, too, during the quieter season of the year. It has caused an enormous amount of ill-feeling and accusations. This gives some conception of what would happen if the system were changed so that the banks were obliged to contract during the season of acutest demand. They would certainly have to do so if they worked under a currency system like that of the United States. They would have to take money from the stock markets more largely than is now their custom, and mercantile borrowers, instead of receiving heavier advances during the busy fall season, would probably be called on to reduce their loans. These considerations are worth studying by those who think the Canadian system of banking and currency is to blame for the monetary squeeze of the past spring and summer.



THE LIFE AGENT'S PART IN THE BETTERING OF CONDITIONS.

Marked enthusiasm was shown at the recent Toronto Convention with respect to the election of President Charles J. Edwards to the official leadership of the National Association of Life Underwriters of the United States. His address before the Pittsburg Association last week is therefore of widespread interest, bearing as it does upon conditions that are more or less prevalent the whole continent over. While Mr. Edwards hopes for betterment of certain conditions under which life insurance business is carried on, he frankly states his opinion that the recent falling off in volume is in part due to agents themselves losing heart in a greater degree than the discouragements have warranted. Not that he makes little of undoubted difficulties, but he bids his fellow field workers be of good courage, and tells the stronger brethren, and especially the general agents under whom the rank and file achieve their results, that it is not commiseration so much as inspiration that the "man with the rate book" stands in need of.

At the outset of his address he stated that in so far as his judgment might shape the policy of the National Association, it should be strictly along the conservative and helpful lines enunciated by the Toronto convention. He did not propose to launch any policy, to promulgate any plan for relief, nor promise a universal panacea.

In his opinion the recent convention at Toronto was replete with hopeful, helpful signs. The men who visited that convention from all over the United States and Canada were men who believe in life insurance, believe in their work, believe in its future; men not easily discouraged, and certainly men who had not lost faith. It is just such men as these all over the country that the life insurance business has to thank for its lease of life, and he made the appeal that they be accorded a rightful appreciation of their loyalty and character. He feared, however, that in general, a

lassitude had attacked the life insurance business. With some signal exceptions, general agencies of all companies, and in all sections of the country, seemed to be doing a very considerably less business than they should be doing. One eminent life insurance man even stated that there will be half a billion of insurance less in force on December 31, in the United States than a year ago. "If this is so," Mr. Edwards said, "it is serious; it is deplorable; it is wicked!"

"What is the matter with the life insurance business? If we find this condition, what is creating it? In other words, if we have a diagnosis of cause and effect, let us first remove the cause and then remedy the effect. But there is some question between many of us as to the cause of what we are pleased to call our troubles. What is the matter with the life insurance business? I am frank to say that it is not the public. By a process of elimination, we may dismiss that excuse at once. This is clearly demonstrated by the production of twenty-one millions of new business by the New York Life in July. Possibly that company suffered as much as any in loss of prestige and from public wrath; but the achievement of their agents in July proves that the public has either forgotten or forgiven—and this will hold good of every other company.

"Are the life insurance companies themselves to blame? While in individual instances it may be that this company, or that company has not done its full duty, either in educating the public or in aggressively favouring fair legislation, or in accepting a liberal construction of the New York statute in the way of helping field conditions—yet I hold that the life insurance companies within themselves and on their own responsibilities, are not chargeable for unfavourable field conditions.

"Is it the New York legislation? It is easy to charge all our ills, even our imaginary ones, to the Armstrong law. Unfortunately the law as enacted has borne hardest on the life insurance agents. Therefore we are quick to accept as a finality that our recent, our present and our future troubles are all due to the Armstrong law. Candidly, I have little patience with legislation that sets a standard to which all men and all interests must conform, and limits originality, tastes, competition and restricts energy and protection. But I have less patience with the agent who is satisfied that he has found a reason for not doing business and for not going after it, and is therefore satisfied to rest his efforts and stifle his abilities until some condition is arrived at which he thinks perfect. Some men, you know, are always looking for trouble, and hoping to heaven that they will find it.

"Is the trouble in the life insurance business very largely among the field men? Is it in the agency system? One unfortunate feature of recent legislation is that it tends to the elimination of the middleman, the general agent. To my mind the general agency system is the backbone of the life insurance business. It is the general agent who creates energy and inspiration for the agent and creates results for the company. The most serious phase of our business is the agent who is just discouraged, not dissatisfied, but disheartened. It is time that we face conditions bravely, and while seeking relief through proper channels, do our