

Canadian Life Underwriters Convention

Is life insurance a profession? was a question asked at the Life Underwriters' Conference in Toronto this week. The convention itself afforded an affirmative reply. It brought out clearly the aims of Canadian underwriters, the standard of their ethics. It silhouetted the type which goes to make up the Canadian underwriters. The business in Canada has grown to large proportions. During the past thirty-four years more than one and a half billion dollars of life insurance has been effected in the Dominion. Last year the amount of insurance was divided among the Canadian, British and United States companies. The Canadian companies accounted for 979 millions of that total.

That there is new business to be gained is obvious. The agent who approaches his superintendent with drooping eyes and the plea that no new business is to be written in his district, has little perspective. Every year this country is adding from fifty to one hundred thousand new citizens to its population. In many instances they hail from over-peopled lands, where sheer poverty has been the most effective reply to the life canvasser's solicitations. Here, where labor awaits all and comparative prosperity is the lot of those who work and care, the canvasser has almost unequalled opportunities. His field is not one of the standstill variety. New prospects are arriving every day. Then many of the men who came to pioneer years ago may have overlooked life insurance. Only the other week a wealthy Manitoba farmer was induced by a Western Canadian company to take up a life policy for a large sum. Three days later he died. That is but one instance. Young and old, new and acclimatized citizens mean that the Canadian life insurance arena has in it much that is unexploited. The blue book figures twenty years hence will show some big percentage increases.

With such a future in front of the profession, the initiation of the life underwriters' association movement came at an opportune time. This week, witnessed the third annual convention of the parent body. Twenty-one branch associations now stretch across the continent from coast to coast. Their membership is not far short of five hundred. While a handful of men have treated the association movement to a little amused contempt, the majority recognize its primary principle. Perhaps jealousy of the strength and determination of the leaders to make good this movement has caused some little disunion. But there is no room for envy; and that element is fast disappearing. The object of a union of life insurance men in Canada is apparent. If the directors, managers, superintendents and agents of life companies are working in harmony, with legitimate competition, good only can result. If life insurance canvassers are selling their wares fairly, the competitor cannot rightly complain of poor scruples.

The two chief objects, then, of this association are to harmonize insurance interests in the Dominion and to raise the profession to a high moral state. Had every company and its agents been pulling different ways when the Insurance Act was being considered, one can imagine the result. But they were pulling together and in one direction. They knew what they wanted and what was

fair. Happily, the Finance Minister of to-day was willing to listen to reasonable arguments. Through proper co-operation between the life insurance companies and the Government's finance and insurance department, the Dominion is likely to have an excellent insurance statute.

No one can properly argue that the association movement is strangling competition or killing would-be new companies. During its three years' life, probably a record number of new life companies have obtained charters and have commenced or propose to begin business in Canada. Many of these have joined the growing movement, have helped to build up new branch associations and generally assisted.

Three of the evils which have unfortunately existed will be checked indirectly through Canada's life insurance organization and directly by the agents themselves. The educative force of the association and its gatherings has almost eliminated cases of rebating so far as members are concerned. And this same educative element has reached beyond the membership. Seldom now do we hear of rebating, twisting and misrepresentation on the part of agents who are not members. We will not dwell long upon these evils, which have been discussed previously in these columns.

Rebating is a growth of a commission system which has waxed fat on this continent. The average man is looking for what is popularly termed a "rake-off." This pernicious habit is not unknown in insurance. Its elimination can be accomplished only by individual, and later, conjoined effort. Two parties are necessary to a rebate—the insurer and the insured. The acceptance by the latter is equally as reprehensible as the offer by the former. The companies themselves can help. Discovering these malpractices, they should cancel the policies so issued. This will mean temporary loss of revenue but immediate gain of prestige. In due time will come a permanent recognition of a principle signifying that rebates will be tolerated neither by head offices nor by anyone else.

The agent who participates in such corrupt practices is a millstone around the neck of the profession. While he thrives, life insurance will have that smudgy appearance which goes with uncleanness. Individually, the honest agent can accomplish much. He need have no fear or compunction in branding the rebater and holding him forth as an undesirable.

Misrepresentation by the everyday agent is another matter. This is now being generally shelved. Which is a good thing. The art of doing business these days is not in hiding the other man's light under a bushel. The square way of doing things is the best. Let your prospect have time to think. The figures and facts he possesses regarding a certain company should not be contemptuously contradicted and by aid of a little prevarication, reversed. Fair comparison of companies is honest soliciting. Unfair comparison is otherwise. When life insurance men follow the dictates of their consciences, the profession will have been placed near the ideal. The association movement is the most helpful factor in formulating an ethical and moral code among the men who are writing insurance throughout Canada.

Life insurance then is a profession. This week's convention has demonstrated the earnestness of the men engaged therein. It has also shown what a fillip has been given to the movement, such a beginning that the good work cannot but help continue.