

HEALTH AND ACCIDENT INSURANCE AGENTS

Suggestions for Improving Their Status—Trend Towards State Insurance

The atmosphere surrounding the industrial health and accident field for several years past has been surcharged with criticism, and the tenor of the letters received at the New York insurance department and, as advised, at the various other insurance departments, certainly indicates that public confidence in this line of insurance has been shaken.

The agents are almost of necessity compensated by commissions, and industrial health and accident commissions, although relatively large, are usually insignificant in amount. At the outset, therefore, there seems little to attract a man of promise and ambition in this line of business, and the natural result is too often the recruiting of agents from classes which lack the mental and moral equipment which the business requires.

Makes Some Suggestions.

In view, therefore, of the existing conditions in the agency forces of the industrial health and accident companies, the following suggestions are made, in the belief that their adoption by the various state departments—through legislation when necessary—will contribute in some measure to relieve the situation and result in desirable reforms, said Mr. H. D. Appleton, New York State deputy superintendent of insurance at the National Convention of Insurance Commissioners at Burlington, Vermont:—

1. Certification of agents by company.—That when the appointment blank in use by state departments merely provides for the appointment of an agent without in any sense certifying to his character, such blanks be amended so as to require a certification that the company has investigated each agent designated and certifies that his record is satisfactory; and, in the case of a newly appointed agent, that the company has satisfied itself as to his trustworthiness and competency.

2. Filing statement of cause of cancellation of agent's license.—That when a company cancels an agent's license it should file with the department a statement of the facts causing such action.

Superintendent Should Have More Power.

3. Power given superintendent to refuse certificate.—That the supervising insurance official in every state—at least in the case of agents of health and accident companies—shall be given authority to refuse a license for good and sufficient reason.

Under the existing law in New York, the superintendent has no authority to refuse a license to an agent who has made application to the department and been duly designated by an authorized company. His only control over agents is the power to revoke their certificates if, after due investigation and a hearing, it is determined that the holder has violated any provision of the insurance law or has been guilty of fraudulent practices.

4. Profit-sharing contracts.—That the convention go a step further than did the Milwaukee convention when it adopted a resolution regarding profit-sharing contracts, by committing itself to a policy which will not permit any company to have profit-sharing contracts with its agents.

The resolution adopted at Milwaukee following the investigation of 1911 read as follows:—

"That hereafter no agent, collector, adjuster or manager of such a company who is compensated in whole or in part by a profit-sharing contract, have power to settle claims."

Existing conditions seem to call for the abolition of all profit-sharing contracts.

Trend Towards State Insurance.

5. Twisting.—That the various state departments follow the procedure adopted in New York last October when each company was notified in the event of application being made by another company for the licensing of a man already recorded as agent for the first company.

6. Amendment of laws affecting incorporation.—That the laws of many of the states should be so amended as to increase the capitalization requirement for corporations intending to carry on the business of health and accident insurance. This field is now overcrowded, and to properly protect the insuring public, incorporations of this character should be discouraged—not encouraged.

With the trend of sentiment in some quarters towards state insurance there is a possibility that company officials—particularly those supervising industrial health and accident corporations, which come so close to the wage-earner—may be brought face to face with state insurance, which, it is believed, would not be a situation particularly pleasing to the companies nor to a large majority of those present.

ONTARIO'S OCCUPIED LAND

Growth of Cities Responsible for Reduction in Small Holdings—Increase in Improved Lands, Etc.

The area of occupied land in 1911 was 21,933,700 acres as against 21,349,524 acres in 1901, and of 21,091,698 acres in 1891, being an increase of 2.73 per cent. in the last decade, as against 1.22 per cent. in the previous one, according to a census bulletin just issued. The land area of the province, exclusive of the new addition which is called the District of Patricia, is 141,125,330 acres. Of this only 15.54 per cent. was occupied for agricultural purposes.

The number of farm holdings in 1911 was 223,260 as against 224,127 in 1901 and 285,608 in 1891. This decrease in the last decade has occurred wholly in the case of the smaller holdings, the number of occupiers of less than one acre having decreased by 5,659 and those of from one to five acres by 225. These small holdings being usually contiguous to cities and towns, the natural tendency is to convert them into building lots to provide for the rapid development of urban centres and thus remove them from the number of producing agricultural areas.

Small Holdings Show Decrease.

It is also to be noted that while the number of small holdings has decreased in the decade, yet the number of holdings of the larger dimensions is on the increase, there being an increase, of 1,140 in holdings of from 5 to 10 acres, of 470 in holdings of 11 to 50 acres, of 1,007 in holdings of 51 to 100 acres, of 1,810 in holdings of 101 to 200 acres and of 434 in holdings of over 200 acres. The average size per holding in 1911 was 98.25 acres as against 95.25 acres in 1901.

The area of improved lands increased from 13,266,335 acres in 1901 to 13,460,353 acres in 1911, being an increase of less than 1½ per cent. in the decade. This small showing is no doubt more apparent than real, owing to the stricter interpretation of the term "improved land" in the last census.—"Improved land" for the census of 1911, according to the manual of instruction to enumerators, was defined as "land which has been brought under cultivation, and has been cropped and is fitted for producing crops."

Increases in Land in Field Crops.

In previous censuses no clear definition was given of the term "improved land." The result was that under this heading was included non-tillable areas used as pasture. In this census the areas of arable lands only were enumerated under this heading. Therefore the areas of improved land in this census are not strictly comparable with those of the previous ones.

Land in field crops increased from 9,212,478 acres in 1901 to 9,691,116 acres in 1911, being an increase of 478,638 acres or 5.19 per cent. in the ten years; the land in orchard and nursery increased from 267,478 acres in 1901 to 268,000 in 1911; the land in vegetables and small fruits was 70,400 acres in 1911 as against 65,303 acres in 1901. Land in vineyards increased by 1,081 acres in the decade. The acreage under small fruits is placed in this census at 10,883 acres, in 1901 the area was included with vegetables.

MONARCH LIFE'S PROGRESS

The Monarch Life Assurance Company, whose head office is at Winnipeg, reports new business and cash collections this year over 40 per cent. in excess of the same period last year, with only one death loss of three thousand dollars. The company's total business exceeds seven million dollars.

WHAT WAR COSTS.

The losses in the Balkan war have been estimated at 348,000 killed and wounded and \$1,230,000,000 in property.

CANADA OBTAINS CAPITAL

Canadian interests in London have secured over seventeen million dollars in two weeks, as will be seen by these five issues:—

- (1) Grand Trunk Railway £1,500,000 five-year notes.
- (2) Canadian Northern Pacific £800,000 4½ per cent. debenture stock.
- (3) Winnipeg £690,000 4½ per cent. consolidated stock at 97.
- (4) Vancouver £510,000 4½ per cent. consolidated stock.
- (5) Sherrard Manufacturing Company £150,000 7 per cent. preferred shares.