

INSURANCE LEGISLATION

BRITISH, AMERICAN and CANADIAN

Address by Mr. T. B. Macaulay, F. I. A., before National Association
of Life Underwriters, at Toronto, August 22nd, 1907.

MR. PRESIDENT AND GENTLEMEN:

When I received the invitation to address you, I felt that it was an honor and a privilege which I could not refuse. As the whole question of insurance legislation will come up for settlement at the next session of the Dominion Parliament, and as our Royal Commission has made a number of recommendations in connection therewith, my first impulse was to discuss our Canadian insurance act by itself; but on second thought it seemed better to consider the problem in its broader aspects. I know the subject is now a hackneyed one with most of you, but it is of such overwhelming importance to us in Canada, that I trust you will bear with me while I speak briefly on life assurance legislation—British, American and Canadian.

It is proper that we should first consider the nature of the business to which such legislation is to apply. What is life assurance? It is simply philanthropy reduced to a business basis. Its primary object is the protection of widows and orphans. When death removes the bread winner, the life policy keeps the home for the family, provides the daily bread and enables the children to be educated. The development of endowment assurance had added the further feature of protection to the assured himself against the needs of his own old age. These aids are given, moreover, not in the form of charity, which demoralizes the recipients, but in such a way as to even increase their self-respect. The nobility and beneficence of the business in which we are engaged needs to be emphasized at the present time when the tendency is to magnify any flaws in the companies or their methods, and to overlook the essential grandeur of their work. The combined income of our orphan asylums and similar charitable institutions is a bagatelle compared with that of our life companies. Our schools and colleges provide education, but it is life assurance that sustains the orphans while their education is being obtained. Life assurance is in fact the most beneficent development of modern civilization. In financial usefulness to bereaved humanity there is no other business that can compare with that of the life assurance company, and no other occupation that can compare with

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