

NADALIFE SWASHES ALL PREVIOUS RECORDS

1922 Business Unparalleled in Company's History

Canada's First Life Assurance Company Celebrates Diamond Jubilee

Canada Past and Present Contrasted in Word Picture By Canada Life President

Mr. H. C. Cox Outlines Remarkable Record of Progress at Annual Meeting

Capacity Audience Hears Most Unusual Address

Mr. Cox spoke as follows:
The explanation of our meeting in this place, rather than in our own Directors' Room, lies in the first instance, in the large number present. As three-quarters of a century have passed since the founding of your Company, it was thought the occasion might properly be marked in a special manner, and to this end many of your field representatives were invited to join the usual gathering of policyholders and shareholders. Those who have been invited to this important anniversary, they will all participate in a series of business discussions calculated to be most helpful to those who share in them, and will return to their respective homes with a more intimate knowledge and a higher appreciation of their Company, its methods, and I venture to hope, of its Executive.



MR. HERBERT C. COX,
President Canada Life Assurance Company.

In 1847, in considering the present position of the institution like ours one is apt to lose sight of the romance and imagination surrounding its birth. While Upper and Lower Canada still were in existence, the waters of the first ocean steamship entered the harbor of Quebec, and more years before the first railway communication between Toronto and Montreal, white passengers and mail still travelled by coach, when the entire population of Upper Canada was less than that of the city in which we now meet, when perhaps only one person in a room was old enough to remember the occurrence, a banker of Hamilton, having learned of the advantages of life assurance which was then only in its infancy on this continent, although firmly established in Great Britain, conceived the ambition to procure those advantages for himself and his family. To do this he had to make a long and arduous journey to New York, a distance of five hundred miles, by coach and pack horse, with the delays and discomforts incident to such a venture. As his first President, he guided with the idea that whatever there was of good in life assurance, and he was convinced there was much, should be made available to the people of this country. The sum of cost and inconvenience. Upon his return he gathered a few of his friends together, told them of his experience and of the vision which had come to him, and enlisted their co-operation in founding in 1847 the first Canadian Life Assurance Company, whose seventy-fifth anniversary we celebrate today. As its first President, he guided the Company through its necessary small beginning and slow growth until his death in 1859, but the broad principles he then laid down have survived through all the years which have followed. The romance is increased by the fact that Hugh Baker was only twenty-nine years of age when he launched the Institution, and forty-two when he died.

Life Insurance Then and Now.
The story of the institution's uninterrupted progress is most interesting. In the early days the Company did not escape the skepticism and opposition usually aimed at a new departure, but its founders fought on, and one of the means employed to inform the scattered population was a travelling lecturer, whose duty it was to set out clearly and succinctly the theory of life assurance and the benefits it afforded. The general need of education in to-day's relatively as great as at that time, but the individual lecturer is superseded by the Daily Press, which carries the Institutional Advertising of twenty-five associated companies and reaches 1,850,000 readers every two weeks. For some years your own and a very few British and American companies held the field, but from 1870 onward there came into existence a steady stream of Canadian companies, while concurrently there entered Canada a larger number of those from Great Britain and the United States, so that to-day ample facilities are available to provide life assurance for all who seek its benefits. With the passing of years the science governing our business has so expanded and deepened through the collation of information made possible by the co-operation of the companies that we are increasingly able to offer coverage upon terms to lives formerly considered medically unfitness. In 1847 the Grand day, the Bank of Montreal, the Bank of Canada, the Bank of Life Assurance of the entire list, and to enter enterprises that we for an example of the spirit which desired to come for Canada in the world.

gentle in which both may place complete confidence.
Valuable Privileges Now Offered.
Each year evolves new policy features to meet the new needs created by the constant evolution all about us. Fixed incomes can now be provided for the beneficiary; companies' investment machinery is at the disposal of the assured; the fear of incapacity to produce a livelihood need no longer cause worry, while one may arrange that double the face of his policy shall be payable in the event of his death through accident; inheritance taxes are provided for by annual payments through the medium of a policy; financial loss through the death of a business partner or executive may be averted, while one's own credit with his banker may be greatly strengthened.

Conserving Business.
While all these factors make for increase in the selling of life assurance, we must always bear in mind that true progress is measured not so much by the total sales as by the amount that remains sold. In other words, it is the continuing policy which is of value to the insured and the insurer. With the rapid and frequent fluctuations in the markets for labor, for commodities and for securities there is a constant and pressing temptation in the effort to make reduced income meet increased demands, to curtail along the line of least resistance, and unless one has a thorough understanding and appreciation of his life assurance, and the relation it bears to his entire economy, the line will, with unfortunate frequency, point in its direction. To anticipate this situation which arises at some time or other in the experience of every assured requires no imagination but to provide against it and combat it is taking our inheritance when these cancellations were taken as a matter of course, and not much attention was given them. Later, when the waste became more fully appreciated, effort was directed to the reinstatement of the policy. More recently realizing that "an ounce of prevention is better than a pound of cure," many companies have undertaken a course of intensive instruction which begins with the issue of the policy, and is intended to complement the result of its purchase, to impress firmly upon him its value for the purpose in mind, and to secure the desirability of keeping it in force at no pressure, however

acute, will be allowed to force him to accept the immediate loss and the ultimate regret which its cancellation would undoubtedly entail. The loss to policyholders is avoidable, though lapses of policies is so very serious that I venture to stress the matter here in the hope that the process of continuous friendly advice and very earnest endeavor now being made by our own and other companies to stimulate by the use of continuous friendly advice and admission of the original desire of which the policy is the logical outcome.

Conditions in West Unusual.
The general conditions under which life assurance companies have functioned during the past year have shown wide variations. In the Western Provinces our operations have been handicapped by the loss of crops in some districts, and by the somewhat disappointing returns realized by the individual in others, although the average price of wheat and the total value of all field crops are both higher than a year ago. The natural buoyancy and optimism of the prairie farmer will carry him through much, but it does seem that for the last five or six years his hopefulness has not extended to life assurance. This depression can be only temporary, as it is scarcely possible that there can continue for long a condition so high in relation to the available price at market. As a matter of course and of necessity, those who are building up their business through the use of stock-raising country are large borrowers, sustained by their courage in the past and by their conviction for the future.

Loan Companies Aid Development.
There is a strong tendency among Provincial Governments, through the apprehension or misinformation, if you will, to provide what they are pleased to term protection for their constituents against what is erroneously believed to be the machinations of the loaning companies. This, of course, means hampering legislation, which will penalize 99% of the loan companies who treat their borrowers most fairly and responsibly in order to reach the 1% who may, to some extent, do otherwise. Surely this 1% can be disciplined without disturbing all the others, who are providing a most excellent and necessary service to the provinces, but who may not always be recognized in their own right if the conditions under which it is to be rendered are made too onerous. Borrowing for the purpose of creating wealth is a legitimate and essential to the progress of any country, and that of Canada in particular. The great institutions whose operations continue in their own right, and who seek in turn for that capital assistance, which will assist pro-

ductive enterprise. Funds for the development of our provinces and for the progress of their peoples presently come from these institutions, who look for only a reasonable return on them, and any legislation tending to interfere with their ready flow in the channels where they are most needed would seriously and unnecessarily retard a growth which we all look forward most hopefully.

Immigration Necessary.
Those of you, and there are many who have traveled through those prodigious stretches beyond the Great Lakes cannot but have been impressed by the almost pitifully small number of people who are struggling with the great problem of the prairies. More people on these lands is the great need. The enterprise of private corporations is held in check, the Salvation Army, is with Government aid, also stepping into the breach, and the process of immigration is being urged more and more upon us. It would suggest that the policy of conservation might here be well applied, and that "What we have will hold." Shall we be an approving Government of the day that a strong and comprehensive policy of immigration and conservation be enacted here, and ready here, to entitle it to a material expenditure, will commend itself to all who have at heart the advancement of their country.

1922 a Remarkable Year.
In commemoration of the Company's seventy-fifth year of operation, our objective was set at seventy million dollars of business, and I am happy to say that this has not only been attained, but has been exceeded by nearly three million dollars. It was felt that we should make a special appeal in the field when this figure was named, but they undertook it with the spirit of their effort until it once been accomplished in fullest measure. To those who are here, and through them to the army of those whom we have not, unfortunately, we have with us, we acknowledge our obligation, which is deep because we realize to the full the difficulty and disturbing elements which surrounded their labor. While issued during the year, many of our old members have been unable to withdraw their funds, and it has been necessary to draw, in spite of these terminations, however, together with maturities, we are able to report an increase of \$40,891,000 in our total assets, bringing them up to \$360,981,000. Our death losses have again been reduced from this source as between actual losses and those for which provision was made, and in again the largest in our experience. Add to this the other earnings which go to make up the surplus for the year, and we have a total of \$2,694,664, which is the largest amount earned in any year in the Company's history. Last year we were able to increase somewhat the bonus, and these will now be further increased. You will remember that throughout the past years and the unhappy period sustained its bonuses to policyholders upon the pre-war basis, and the improvement now announced is in addition to that satisfactory scale. Your directors take great pleasure in reporting this uncommon result in a year in which they have so materially increased the new assurance and added to your agency organization.

Extending Operations.
Our forces in territory already occupied have been strengthened and enlarged, and the opportunity offered to extend our operations in the United States to include Alaska, North and South Carolina, Georgia and Florida, in the East, and California in the West. The last named will complete a line of agencies on the Pacific Coast, by the extension to Prince Rupert, British Columbia, of the direct line, which will assist pro-

OF PARTICULAR INTEREST TO ALL POLICYHOLDERS

\$7,767,673 Paid on Maturing Policies, Death Claims, Etc., in 1922.

The contingency fund of \$500,000 which was established several years ago in the Canada life in order to meet any emergency which might arise has remained untouched, but is a continual safeguard to policyholders. The excellent rate of interest earned on investments was increased last year—which is particularly gratifying and in line with Canada Life policy of "Conservative Progress." "The Company always seeks to obtain perfect and ample security when investing its funds, and will not be tempted by high rates of interest upon doubtful investment." This has been the policy of the Company for more than 60 years. The services of specially trained representatives are always at the disposal of policyholders for purposes such as change of beneficiary and adjustments of insurance, as well as for taking new policies.

long, be valuable producers. Our experience in Great Britain has been most happy and is full of promise. Despite the widespread depression and varying disturbances of the year, with a general election as climax, our associates there have just completed a new high record for our twenty years of effort in that country. While congratulating ourselves upon the personal or Company aspect of their success, may we not also feel that it does much to strengthen the bonds of empire and to further that mutual confidence and respect which are such a conspicuous and important link in our imperial relationship? Investments Carefully Selected.

In 1859 Mr. A. G. Ramsay came from Edinburgh to assume the management of your Company. One of his earliest declarations of policy was that "the Company will seek always to obtain perfect and ample security when investing its funds, and will not be tempted by high rates of interest upon doubtful investments." For forty years he was guided by this determination, and it has continued to be the motto of his successors. To this unwavering adherence to a sound principle we owe the unequalled condition of our invested funds to-day, but while acquiring this high quality of security your Directors have not been forced to undue sacrifice in the matter of interest return, as is evidenced by the average rate of 6.2% just reported for the year. The yield obtainable upon desirable bonds has been lessening as the market for them stiffened but we have been able to secure a goodly amount upon attractive basis. As you know, we are particularly well equipped in our mortgage loan department, and our managers have again been able to select a very satisfactory amount of this business from the large volume offered. It is to be expected that

BUSINESS MEN BIG PURCHASERS OF LIFE ASSURANCE

Secure It to Protect Capital and Credit HAS STRONG ENDORSEMENT OF BANKS

The enormous increase in Life Assurance being written to-day is partly due to its recognition by Business Men as a safeguard for their business interests. They are finding that banks are looking to this source as collateral for loans, and that in their financial reports Dun's and Bradstreet's are including life insurance with the assets, which tend to increase confidence in a well-managed company. Thus the wisdom of securing Life Assurance for Business protection has been pointed out to Business Men by other agencies than Life Assurance Companies, which makes the argument for this protection all the more forceful. Apparently the great majority of Business Men have a similar opinion as to its value, judging by the huge amount of business being written for this purpose to-day, and it seems certain that this movement will be developed beyond anything which we might now venture to suggest. The fact of the matter is that Banks and Wholesale Houses require some such tangible asset as collateral. Character and capability are large considerations, but their chief concern is whether a man will live long enough to liquidate his debts. In case he should die he takes with him his personal assets—character and capability—and there is only one sure way that these

assets may be covered—and that is by Business Insurance. A Cash Fund for Emergencies. Many a business firm has been pulled through a crisis and tide over an unforeseen emergency through the value in a Business Insurance policy. Many firms have found it a good plan to establish an emergency fund by regular deposits into some secure security, and have thereafter turned to Life Insurance. It is a business' all other resources, because the fact of the policy remains constant cash upon the "great emergency" that must cover a very business man sooner or later. The cash values in the policy are usually carried on the books of the firm as an increasing asset, and this offsets to an increasing extent year by year the outlay by way of premiums. The "Shock Absorber" for Business. The fact that the death usually occurs at the most inopportune moment makes clear the necessity of a "shock absorber," so that the business will not stagger under the severe blow. Presently Cases have been forced to liquidate—often at a tremendous loss, because of the death of the one who has made the business and who carries little or no life insurance. A short time ago a case came to our notice where a widow was left her husband's interest in a business which was quite successful under his supervision, but which was almost worthless a short time after his death. More and more men are seeing the necessity of Business Insurance. It has proven to be an indispensable safeguard—more essential than the insurance taken to protect stock equipment and the general assets of the business.

and marks them in proportion to the type of service it renders. We believe the Life Institution has faithfully discharged its obligation to you, the policyholders, and share holders, whose property it is, and will all continue to seek for your support and co-operation in promoting its further success. The effort, continuous and persistent, though sometimes discouraged, at all branches of the service has accomplished the result desired by the statement submitted, and your Directors desire to acknowledge their obligation and to express their cordial appreciation of it. May I once more offer my respectful thanks to the Directors, to the Board in Great Britain, and to every member of the official and clerical staff in the Home Office and in the field for the kindly and generous support with which they have again honored me.

Canada Life Impregnable
The close of 75 years of service finds the Canada Life in a position of impregnable strength and while it is borne upon us that the Company is old, the facts of history all go to prove that it is indeed a deathless old age, and that the institution will stand solid as a rock amid the wreck of private fortunes and the insecurity of other forms of modern business.

During 1922—The Canada Life Assurance Company

(Established in 1847)

Made the following substantial progress:

	1922	Increase
Total Insurance in Force increased to.....	\$360,981,000	\$40,891,000
Total Assets increased to.....	86,654,000	6,556,000
Reserves for Protection of Policyholders....	74,016,000	5,426,000
New Assurances issued in 1922.....	77,407,000	6,438,000
New Assurances paid for in 1922.....	64,520,000	2,457,000
Surplus earned in 1922.....	2,694,000	94,000
Total Income for 1922.....	17,990,000	2,451,000
Dividends to Policyholders in 1922.....	1,817,000	304,000
Total Payments to Policyholders in 1922....	7,767,000	1,182,000

Above, in brief, are the results for 1922, as shown by the Financial Statement.

- Below are some of the noteworthy achievements of the year:
1. Dividends on most classes of policies have been increased.
 2. Made the largest surplus earnings in the history of the Company, extending over seventy-five years.
 3. Further increased the average interest earnings to 6.26%.
 4. Continued to improve service to public by special educational training of field force, more representatives having benefit of this instruction than in previous years.
 5. Placed more insurance with present Policyholders than in any other year, and increased public interest in Monthly Income, Business, Estates and Group Insurance.

(A Complete Annual Statement Will Be Mailed Upon Request.)