CANADA LIFE MAKES BIG STRIDES IN 1920

RECORD UNSURPASSED IN SEVENTY-FOUR YEARS

CANADA LIFE policyholders are scattered far and wide, and it is with the desire of reaching them in the quickest and most readable form that this report is being published in the newspapers by the Company. A booklet containing even more complete particulars will be mailed upon request.

CANADA LIFE BUSINESS IN 1920

President Reviews Financial Statement

The unusual demand for life assurance which developed in the previous year continued without abatement almost throughout 1920 and our own institution was enabled to issue $63,500,000, thereby making a new high record for any one year and bringing our total assurance in force up to $277,000,000. These results are brought about by a growing and stronger and better equipped field organization, concentrating more forcefully upon a better informed public, who are more and more coming to buy life assurance upon a reasoned business basis. One insures his house and furniture against fire, his motor against theft or liability, himself against accident or sickness, not because he cannot bear such loss personally should it occur, but because he realizes there is no necessity of his doing so and he is at last beginning to see that the same reason exists but in stronger measure why his estate or family should not bear alone a loss occasioned by his death.

This more intelligent appreciation of the uses of life assurance will have a salutary influence in preventing the lapse and surrender of policies at the first approach of a money scarcity such as is now widely felt. In the past there has been a too prevalent tendency when in temporary financial need to cancel life assurance as more or less of a luxury which can be dispensed with, or to borrow upon it to tide over some unimportant difficulty. At the risk of being thought as harping upon an abused and threadbare subject often considered by the assured to be his personal concern only, one must here repeat the warning so frequently given against a too ready and thoughtless disturbance of a protection valuable alike to those of ordinary or extraordinary means. The first step toward the ultimate cancellation of a policy is the borrowing upon its security, because the repayment of such borrowing is unfortunately the exception rather than the rule, and in time the assured wearies of paying premium plus interest upon a decreased assurance. Many companies carry on continuous propaganda aimed at the policy loan, its prevention or repayment as a part of their conservative effort, but there is room for vastly greater activity in this direction.

Business in Great Britain.

The general improvement in our branch organizations continues and each has had its full share in the expansion of the year. Opportunity was taken to visit with the General Superintendent many of our offices and a most encouraging optimism and activity was found to exist everywhere. I spent some months in Great Britain, accompanied by the Treasurer, and made an exhaustive study of the conditions affecting our business on that side of the Atlantic. As some of you know, we have a very attractive and convenient building of our own, all of which we occupy, in London, with offices in England and Wales, Scotland and Ireland, which rate this year paid for $8,-500,000, or over twice as much as in 1919. Various forces have contributed to this phenomenal success, the most outstanding being an effective agency plant and the great appeal this company is able to make to the British public through its liberal policy contract and its bonuses to the assured. Ours is one of the very few life corporations that have been able to carry on during the war period and after without reducing or passing altogether the usual bonuses to their members. This is a great source of strength to us, and as our advantage is likely to continue through a high earning capacity and a low death loss we anticipate with much confidence a very large accession of new business in Great Britain. We shall look to that country, next to Canada, for an important share of our total expansion and will gradually and advisedly enlarge our facilities to that end. Advantage was taken of a favorable opportunity to enter Hawaii under most promising conditions, and we have received from that agency since September first over $750,000.

Improved Service.

In the effort to give our representatives a more thorough equipment and foundation for their contact with prospective holders of policies we evolved a few years ago a course of instruction by correspondence and have more recently added a series of classes which are carried on in the home office. The opportunity thus offered has been seized with avidity and those who have undertaken the courses have shown an immediate and marked increase in selling ability, and have left upon their clients impressions which are full of interest and suggestion to the management. Our ultimate aim is that this company shall be represented in the field only by those who are giving it their entire service and who have armed themselves with the knowledge to be obtained through this course of study. We believe that to-day life insurance should be sold only by experts.

A Thorough Examination.

In addition to the regular annual inspection by the Canadian insurance department the company has recently been submitted to a most thorough and exhaustive examination at the hands of the Insurance Commissioners of Michigan, Illinois, Pennsylvania and Minnesota, whose representatives jointly and concurrently spent several weeks in the home office. Every possible facility was afforded them and a minute inspection was made of all books and records, of all assets, and of all office systems. The result was altogether satisfying to the commissioners and gratifying to your officers, and is summed up in the final paragraph of their report, as follows:

"We find that the Canada Life Assurance Company is in excellent financial condition, and that its affairs are being managed economically and efficiently.

"To deal with the many different branches of the work there are special departments conducted by responsible officers and men.

"All evidence goes to show that the investments of the company are carefully selected. The foregoing report shows that the investments have been distributed over a wide range of suitable securities.

"We have had the co-operation of the officers of the company and all information asked for and data required have been promptly furnished. In fact, every assistance has been rendered to make the examination thorough and complete."

Surplus Earnings.

As the last of our war claims was provided for in the previous year, and as we have in the past twelve months been free from epidemic, there has been no unusual factor affecting the death ratio adversely, so that we have returned to a normal, or more properly a subnormal, loss, as the actual deaths have been only 55 per cent. of those expected. The saving from this source again shows a very material increase and has an important part in the creation of net surplus earnings of $2,163,000 for the year. This sum again constitutes the largest earning in the history of the institution, and enables us to continue without hesitation the present rate of distribution to our policyholders, and to pursue the active program which is bringing us such a gratifying influx of new members. This inherent strength, the result of successive executives following a clearly defined course for nearly three-quarters of a century, adds unique stability to our policy contracts, at the same time giving more than usual courage to those who sell them, and much confidence to those who buy.

The Interest Rate.

One of the chief contributors to surplus is, of course, the interest income, and you will be gratified to learn that we have again been able to increase the average rate upon your investments to 6.10 per cent. Throughout the year it has been possible to acquire securities of undoubted value at prices to yield uncommonly high rates. We availed ourselves of the opportunity to buy $2,000,000 of very excellent mortgages on a basis to yield approximately 8 per cent. net. The security was all thoroughly inspected by our own officers and found to be ample and attractive. There has been a renewed demand for mortgage loans, a very considerable number of which are required to cover accumulated borrowings from bankers. To the extent that this is the case, those lending upon mortgage are relieving the demand upon our banks. Interest payments reflect to some extent another crop failure in certain sections which have suffered similarly before, and the actual price of wheat, which is so much below that anticipated. Our borrowers, however, have on the whole met their obligations as promptly as could be fairly expected of them, and, as usual, we have not included in the asset described as "interest outstanding" any sums in arrear which appear doubtful of collection. While the overdue interest is somewhat larger than a year ago, it is reassuring to know that a large portion of it became due only in December; in fact, 47 per cent. of the total arrears pertain to the last six months.

To avoid the loss incident to the transfer of our funds from Great Britain under present exchange conditions, advantage has been taken of the favorable market there and short-term securities with an average yield of 6.45 per cent. to the amount of $1,870,000 have been purchased in London. Forty-one per cent. of these are obligations of the British Government.

The increase in ledger assets is significant, having in mind the heavy payments, $2,723,000, involved in another quinquennial distribution of profits to policyholders. Usually these periods of division have left little margin of income for investment, but although the disbursements on this account during the year were greater than ever before, we have concurrently been able to make the largest addition to assets in our history. The explanation lies in the increased income from all sources.

Your assets have again been valued most conservatively. True, there are some items included on the price basis authorized by the Minister of Finance having in mind their permanency and the security behind them, but any temporary difference between this book value and the present market quotation is covered several times over by the special contingent funds which you have set up during recent years to meet just such a situation. In addition to these funds there is in other of your assets a favorable margin of approximately half a million dollars as between their value in our books and their market value. You will remember that, except in the instance above mentioned, it has been our practise to record any downward movement in our investment values, but we do not take advantage of a rising market to write them up.

The continuous growth of your company has made it necessary for us to absorb practically all of the space in this building and to give careful consideration to its future housing. You will remember that some years ago, with this thought in mind even then, your Directors acquired the adjoining corner of King and Bay streets, and early last year they authorized the purchase of two parcels immediately to the north of our Bay street frontage, which, I am sure, will carry your approval. The company, therefore, now owns a rectangular block with a frontage of 166 feet on King street and 234 feet on Bay street, upon which, as the demand arises, ample provision may be made upon a fitting scale for the requirements of this great institution.

During the year great distress came to us in the death of our very dear friend and colleague, Mr. Alexander Bruce. Mr. Bruce had been for nearly sixty-four years associated with this company in its legal department, of which he was for so long the honored head, and as a Director. He gave always to your service from the fullness of an excellent and well-stored mind, and had for the institution a never-failing fidelity and affection. Your Directors were fortunate in securing in his stead the co-operation of Sir Thomas White, who has become during recent years such an international figure. Sir Thomas joins the Board as a representative of the policyholders.

The greatly increased business which the statement indicates made heavy demands upon the energy and initiative of all branches of the service, and your Directors desire to make expression of their appreciation of the splendid spirit and facility with which they were met.

It is again a pleasure to acknowledge my personal obligation to my colleagues upon the Directorate, to our boards in Great Britain, to the officials, the medical directors, the solicitor, the agency and the loan managers, and each individual unit of the staff in the Home Office and in the Field for the consideration and support they have given so ungrudgingly and which enable us to submit to you such an excellent record of the year's operations.

MANY PROOFS OF SUCCESS

The unusual demand for life insurance continued without abatement throughout 1920.

General improvement in branch organization continues, especially in Great Britain.

Advantage was taken of a favorable opportunity to enter Hawaii, under most promising conditions, and with immediate success.

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THE PRESIDENT'S ADDRESS

Mr. HERBERT C. COX REVIEWS BUSINESS OF 1920
CANADIAN CONDITIONS FAVORABLE FOR FUTURE

In the early part of the year general business conditions continued much as they had been in the previous twelve months. Bank deposits were growing; commercial credits were increasing, although under keen scrutiny; manufacturers were placing enlarged orders for raw materials; wholesalers and retailers were straining to implement their stocks; labor, through the strike or less forcible means, was demanding and receiving higher wages; the cost of all commodities—necessities as well as luxuries—was still holding at high level. In short, Governments and the public were still greatly spending while all the time protesting against the prices they were called upon to pay. In the early summer the realization seemed suddenly to come that the way to secure reduced prices was to cease buying. The thought quickly crystallized into action, and one commodity after another has felt the full force of public disapproval. As a result we were immediately plunged into that readjustment which we had contemplated but had looked for somewhat later. The reaction was felt first perhaps in the motor trade, followed by leathers and textiles and later others. As public buying ceased, cancellations—against which there appears to be no adequate protection—poured in upon the manufacturer, who, in turn, where possible, passed them on to the producer of raw materials or ingredients. The stock markets, already affected, reflected the aggravated conditions, and the course of securities in general was markedly downward. The usual preparation for the moving of immense grain crops entails a reduction in ordinary credits, but in the early fall other factors entered into the situation, bringing a more severe curtailment of facilities and a widespread decrease in activity. The inevitable laying off of labor commenced. For a time those so released entered other industries which had not yet felt the pinch, but latterly such re-employment has been more difficult and many skilled workmen find themselves partially or wholly out of work.

Business is Recovering.

This process of recovery from what was an artificial set of conditions induced by the extraordinary circumstances attending the war, though distasteful, is necessary if we are to return to a sound and sane basis of commerce and finance. It is unavoidable that in the operation there will be hurt alike those who have benefited and those to whom only disadvantage has come through the disappearing conditions, but the silver lining of the cloud must at last become apparent, and good will accrue through the resumption of a normal viewpoint and a normal standard of living and working. Already there is evident a greater appreciation of values and a greater inclination to give and to demand a fair exchange, whether of commodity or labor. The view is gaining that the man in the shop is entitled to a reasonable share of the profit which he assists in producing if he is giving that assistance to the full extent of his knowledge and efficiency, and while it would seem that, in sympathy with a general decline in public purchasing power and in profit to his employer, either his wages must also decrease or his output increase, it is altogether probable that the many profit-sharing plans which have been evolved for his advantage will continue.

The Exchange Rate.

The exchange situation and the causes leading up to it are so familiar to all that lengthy comment is undesirable, but it may be said in passing that the obvious remedy for Canada lies in the decrease of our purchases and the increase of our shipments abroad. It is unfortunate that the capacity of Great Britain has recently not been such as to enable her to take her rightful share of the business offering from this country, as both would have benefited had it been possible for her to do so.

Effect Upon Loan Business.

One effect of the adverse exchange and the high interest rates prevailing in Great Britain which will be increasingly felt in Canada is the difficulty, amounting almost to impossibility, of retaining British monies borrowed by our loan companies upon their debentures for investment in mortgage loans in this country. The margin between the rates demanded in England and those obtainable on proper security here is so narrow as to render the profit on such transactions extremely small and unattractive. As a consequence the loan and other companies depending upon borrowed funds for their investment resources must look in much greater measure to the increasing of their deposits and to the sale of their debentures at home, but in the latter direction they will still be seriously handicapped for some years by the competition of long-term Government and municipal securities, which can now be obtained at unusually high yield rates. Without disparagement of these institutions, which are bearing the burden of a condition for which they are in no way responsible, it is fair to assume that they will not be able to keep up as they have done with the demands of a rapidly expanding country for mortgage loans for farm development. The other great source of supply for this purpose—the life assurance companies—will therefore have to be prepared to undertake a larger share of this mortgage investment which is so essential to our national growth. It is perhaps not realized that these companies have already loaned most importantly in this way, but their steady influx of funds requiring safe and remunerative investment will enable them to proceed more actively with profit to the country and to themselves. Some of them already have ample organizations and facilities established for the prosecution of such business.

Health Conservation.

There have been held in Canada during the past year many important conventions and conferences, some of them looking to a greater development of trade within the Empire and kindred subjects, while others have had as their objective the betterment of the public health. The latter is of moment to the life assurance companies, as anything which tends to raise the standard of health and morals bears directly upon their success. The companies themselves exert an influence for good upon the national health through their medical examinations, which embrace a growing percentage of the population each year, and include in several instances free re-examination annually upon intimation of the assured's desire. Many impairments, greater or lesser, disclosed by these examinations are brought under proper medical care and removed. Several companies now maintain their own qualified nurses and place their services at the disposal of their members without charge. All efforts bearing upon improved health, whether made by permanent health officials or other agencies, are followed with keen interest by insurance executives. Fresh air, properly directed exercise, and mental recreation are excellent aids in this direction which have been made available to greater numbers through the medium of our military regiments and their prototypes in other countries. It is very desirable, apart altogether from the military viewpoint of preparedness, that every possible encouragement and support should be given by our Government to these regiments, even though such support may and does entail a considerable charge upon the country. Sums wisely spent upon national health are well spent.

Housing Problems.

Intimately associated with this question are the problems of proper housing facilities in town and country for ever-increasing populations. Their solution is being sought by Legislatures, City Councils and Housing Commissions. In the meantime the life assurance companies are rendering actual assistance in numerous individual cases by loans which enable the building of the home.

Immigration Policy.

Proper scrutiny and careful selection in the admission of immigrants are safeguards which are too often overlooked in the desire for increased population. It is better policy and cheaper to turn away from the border would-be citizens of unfavorable physique and morals, or, better still, to sift them out before they leave their country of origin, than to nurse them here and perhaps allow them to inoculate an entire district with some objectionable infection. Granted that the urgent need of young countries such as ours is population in larger volume and more quickly than natural increase can provide, and it is gratifying that the past twelve months have shown an important accretion in this direction, but care must be had, just as in a business undertaking, not to sacrifice quality to quantity or soundness to size.

The visits of the representatives of the British Press Association and the British Chambers of Commerce were history-making events in relation to our future. Both bodies made extended tours from coast to coast and every facility was placed at their disposal to enable them to learn at first hand not only of our natural resources and potential wealth, but of our manufacturing successes, of our banking and financial system, of our social and educational institutions, of our home life and our recreations. In fact they returned to Great Britain with an intimate knowledge of Canada and her people, of her aims and possibilities which, as it is disseminated there by such keen and thoughtful observers, cannot fail to broaden the sympathy between the two countries and result in a wider interchange of opinions and commodities to the great advantage of both.

Soldiers' Insurance.

The resettlement of soldier citizens is generally progressing, and in Canada the headway made appears to be satisfactory. Many have resumed their former affiliations or occupations, while many others, approximating 20,000, have taken up farming without aid, through the means afforded by the Government or with the assistance of their friends. To provide life assurance for them at a minimum cost, and more particularly for those with impairments which make them ineligible for coverage by the companies under standard policies, a scheme has been evolved under which the Government insures without medical examination those applying to it. As the Government assumes all administration expense, and as the element of profit is eliminated, these policies are procurable at a rate somewhat less than required by the companies. Policies so issued become co-related to the soldier's pension, since at his death the amount of the insurance is to be reduced by the commuted value of the pension normally payable to his dependents. It is conceivable that in many instances this commuted value will exceed the insurance, and to meet this contingency provision is made for the return of all or a portion of the premium paid. The scheme became operative September 1 last, and 1,015 policies for $3,-282,000 have been issued.

The Western Crops.

Weather conditions as they affected crops were generally favorable in Manitoba, although the area under cultivation was somewhat smaller than in 1919. Fall rains assured ample pasturage and stock went into winter quarters in excellent shape.

A very late spring delayed seeding in Saskatchewan until April, and while soil conditions were favorably influenced by the moisture of the previous autumn, high winds in May caused considerable drifting and damage on light land. The rainfall was very unevenly distributed and the intense heat of the summer, while overcoming the disadvantage of late seeding, also, unfortunately, tended to prevent grain from filling, which not only decreased the yield, but in many districts resulted in an inferior sample. On the other hand, while the winter of 1919-20 was extremely severe on stock, the reports this year indicate unlimited pasturage and hay, and while there is a reduction in the number of hogs, there is an appreciable increase in sheep.

Although seeding was late in Alberta the results have been on the whole agreeable. In the northern districts a better than average crop was harvested. The Province had under cultivation approximately 11,-000,000 acres, and ideal harvest conditions prevailed. Hail losses were extremely small, but in the south some 40,000 acres suffered through high winds. Last winter much stock was lost through the severity of the weather and lack of feed, and there is now in the Province a less number than a year ago, but it is hoped that this condition will soon right itself. The dairy products of Alberta, for which she has become noted, will reach a value of $35,000,000 for the year.

Municipal Finances.

Last year reference was made to the financial difficulties of some of the Western municipalities. It is pleasing to note that the Provincial authorities of Alberta have, through their Municipal Finances Commission, a non-political body, come to the aid of several of their struggling municipalities, and it would appear that they are rendering valuable assistance to them in the adjustment of their affairs. It is hoped that Saskatchewan will soon follow this example, as some of the smaller municipalities in that Province are much in need of relief.

There are comparatively few Western municipalities in the aggregate which have been unable to meet their debenture payments promptly, but it is most desirable that their affairs should be quickly put in shape, otherwise their dilemma will reflect injuriously upon the credit not only of their neighbor municipalities, but upon that of the Provinces as a whole.

The Insurance Act.

It is understood to be the intention of the Government to introduce at the approaching session of Parliament a number of amendments to the Insurance Act which will make that already excellent instrument still more comprehensive. It has been suggested that one of the chief additions to its provisions should be the granting of power to the companies to transact more than one class of insurance so that each of them under certain conditions will be able to undertake the various branches of life, fire, accident, health, etc. This combination is quite common and successful in Great Britain and might eventually make for economy in the conduct of the business through concentration of management, supervision and other items.

Taxation of Premiums.

While referring to legislation I venture to return to a suggestion many times repeated in the past, that some portion of the individual income should be free from tax if devoted to the purchase of life insurance. In Great Britain this consideration takes the form of an abatement from the income tax of 15 per cent. of all premiums not exceeding one-sixth of the income. Such exemption is legitimate and logical and tends to encourage saving and provision for the future, which must necessarily be of benefit to the State. At this time when the Canadian people are laboring as cheerfully as may be under heavy taxation in various forms in the knowledge that they are helping to bear the burden thrust upon our country by war, a measure of relief of this nature would be most gratifying and a great stimulus in the direction of national thrift.

Some years ago attention was directed to the taxes imposed by the various Provinces upon premium incomes of the life insurance companies within the respective Provinces. Continuous effort has been made looking to the elimination or reduction of these charges on the ground that they are being levied upon the savings of the individual holders of policies in the companies, and Ontario has been the first, as usual, to take action in the matter. Somewhat over a year ago the then Government lent sympathetic consideration to our representations, pointing to early relief, and, happily, their successors, the present Government, have taken the same broad-minded view of the situation and have reduced the tax by ¼% to 1¼%. This is now the lowest rate demanded by any of the Provinces, and it is felt this action will be of material assistance in securing similar consideration from the other Legislatures. This reduction is much appreciated by all whom it affects, but it is hoped that all the Provinces will yet go much farther in the direction of relief.

The Association of Provincial Insurance Superintendents held its third annual conference in Winnipeg in October last, and invited the companies to join in their discussions. There is evident amongst the Superintendents a desire to be fully seized of all facts and suggestions bearing upon the business coming within their jurisdiction, and also a wish for uniform insurance legislation in all the Provinces, so far as that may be feasible. The indications are most encouraging, and it is felt that much good may and will accrue to both the Provinces and the companies from such reasoned and combined action.

Institutional Advertising.

For more than ten years unceasing attempts have been carried on by a few whose belief in Institutional Advertising gave them the courage to persist to persuade all the life companies active in Canada to share in a combined campaign of publicity through the medium of the daily Press, having as its purpose the better informing of the public mind as to the principles and practise of life insurance, the place it occupies in our national economy and its relation to the individual and the home. Happily, agreement has at last been reached between the British and Canadian companies and one United States company, a feasible channel for conducting the experiment has been arranged and it will be immediately inaugurated in full confidence that the people of Canada will appreciate the desire to have them become wholly conversant with an undertaking which is of such urgent value and importance to them.

This is another link in the growing chain of co-operation between the companies comprising already associations of Presidents, of Managers, of Actuaries, of Medical Directors, to which has recently been added that of agency officials, which has in four years come to include over one hundred companies in Canada and the United States. This last-named organization has already been most useful in bringing the agency departments of the member companies together on a friendly and constructive basis.

An event of importance was the withdrawal a few months ago of the Equitable Life Assurance Society of New York from business in Canada. The Society has been for many years an active and honorable competitor and always a ready participant in any progressive movement. It is understood that its retirement from Canada, which is to be regretted, is made not through any disappointment arising from its experience here, but in pursuance of a well-defined policy of restricting its operations to the United States.

OF INTEREST TO POLICYHOLDERS

Notwithstanding payments to policyholders during the year amounting to $8,254,883, the assets were increased by $6,-756,668.

The assets of your Company are in the very best class of investments. For instance, bonds of the Dominion and Provincial Governments now represent 22 per cent. of the total assets, having been increased by three million dollars during 1920.

Mortgage loans, another very high class of investments, were also increased by three million dollars, and represent 33 per cent. of the assets.

A particularly good feature of the year was a decrease in the percentage of loans on policies from 14.02 to 13.60 of the assets. While, of course, this is a perfectly good security, it is a satisfaction to note that policyholders appreciate the advisability of paying off their loans.

Frequently a policyholder will pay off a little at a time, thus gradually reducing the indebtedness, and the Company is always ready to assist by accepting these small payments whenever convenient. In the meantime, while the loan exists, there is an easy and convenient way, open to most policyholders in good health, to "insure" the loan, so that it will not be deducted from the face of the policy, if death occurs within a certain time, and while the loan is being paid off. A letter to the Home Office at Toronto will bring particulars as to this.

GROUP INSURANCE

Employees of Many Firms Now Insured in the Canada Life

During the past year a large number of Companies have secured Group Insurance protection for their employees. Toward the end of 192[illegible] the applications for Group Insurance were coming in at an increasing rate which bids fair for a steadily-increasing volume for 1921.

The Group Policyholders of the Canada Life now include many valued branches of trade and industry such as—Printing Plants, Lithographing, Leather Making, Furniture Manufacturing, Iron and Steel Foundries, Machinery, Jewellery, Rubber, Oils, Dry Goods, Boots and Shoes, and other lines of business, also special groups, such as Civic Employees, Club Employees, etc.

Nearly all employers have shown great interest in Group Insurance from the time this plan came to their attention. Many have welcomed the Group plan as a much-needed service for employees and their dependents. There are many employees unable to get personal insurance themselves. Many others are not insured because they do not fully realise their responsibilities to their dependents. The Group plan presents an opportunity to the employer to place the all in the insurable and insured class as every worker and producer ought to be. It also serves as a reward for service and an incentive toward greater co-operation and better stability in employment.

Group Insurance is appreciated by employees, particularly by the best and steadier class of workers, who is a class every employer wants to secure and to hold. Their appreciation grows when deaths occur and they see the funds paid to the widows and mothers, or other beneficiaries, who are generally in need of the ready cash.

The Group contract of the Company has been drawn up to include every up-to-date feature that has value to employer and employee, and is one of the most liberal contracts on the market. The premiums are very low—the year's premium usually amounting to an average of 2 or 3 cents a day per employee for each $1,000 insurance. There are lower rates obtainable anywhere. When deaths occur the claims are paid promptly so that the funds become quickly available at a time when most appreciated. All employers who have placed their Group Insurance with the Canada Life are entirely satisfied with the service the Company is in a position to render.

The business of providing Group Insurance for employees is likely to continue until all industries of account are covered. It is rapidly extended to include Government and civic employees in various parts of the country. Notwithstanding the present period of readjustment in values and the temporary depression in some lines of trade, it is constantly increasing in volume and amount. The new spirit of responsibility in industry to some extent accounts for this. There is also ample evidence of its appreciation by employees, and the verdict of employers is that it has proven itself an important factor in stabilizing employment and improving relations between employer and employee.

In 1920—

The Canada Life Assurance Company

(Established in 1847)

Made the following substantial PROGRESS:

		Increase
Total Assurance in Force increased to	$276,667,000	$46,873,000
Total Assets increased to	76,168,000	6,766,668
Reserves for Protection of Policyholders	63,665,000	5,598,000
Total Income in 1920	15,729,000	3,717,000
New Assurances Issued in 1920	63,525,000	17,144,000
New Assurances paid for in 1920	58,260,000	16,619,000
Surplus Earned in 1920	2,163,000	285,000
Dividends to Policyholders in 1920	2,723,000	1,660,000
Total Payments to Policyholders in 1920	8,255,000	1,907,000

Above, in brief, are the results for 1920 as shown in the Financial Statement.

Below are a few other important accomplishments during the year.

1. Maintained dividends to Policyholders at pre-war scale, notwithstanding increasing costs and some adverse conditions.
2. Improved its service to the public through special training of Representatives and careful selection of men.
3. Won unstinted praise from the Government Insurance Departments of Michigan, Illinois, Pennsylvania and Minnesota after most thorough examination of Assets and Management.
4. Made the largest Surplus Earnings in the history of the Company.
5. Increased the average interest to 6.10%.
6. Placed more insurance with present Policyholders than in any other year and increased public interest in Monthly Income, Business Insurance and Group Policies for industrial workers.

(A complete Annual Statement will be mailed upon request)