

Address -

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w/p.

Insurance Institute .

11/5/68 .

Speeches.

THE LIFE UNDERWRITERS' ASSOCIATION OF S.A. ANNUAL DINNER

3/4

Speech by Councillor P.R.E. Lewis, Deputy Mayor of Johannesburg.

2nd May 1968

It is indeed a privilege for me to have the opportunity of meeting members of your Association. Although I have lived in Johannesburg all my life, there are many activities with which I have not been associated and it is giving me great pleasure to meet organizations such as yours.

Of your Institute I knew little until I met Mr. Rubin. If ever there was an evangelist for a cause it is Mr. Rubin.

I know blue books are not usually a source of material for after-dinner speeches, but I felt it would help me to get an insight into the life insurance field if I had a glance at some returns. Some of the figures made me realize the important role that life insurance plays in the economic life of this country. What struck me too was the rapid growth in the assets under the control of life insurance companies and what it means to the economy, having the annual premiums available for investment in a vast field of activity. I became interested and hope you will not mind some impressions of an outsider looking in. Insurance premiums on life policies increased from R45-million in 1950 to R72-million in 1956 and in the next ten years more than doubled to over R165-million. The actual income of life insurance companies from the operations in the Republic amounted to R272-million in 1966. Quite a staggering growth. Think of the repercussions on the country of the interest of the sum each year.

In 1950 the number of new life policies effected during the year was 161,000 with a premium income of R8,8-million. By 1966 this had increased to nearly 300,000 policies with annual premiums of R19-million. When I say the increase in commission paid to agents I realized I had trained for the wrong profession. While R4-million was paid in 1950 and R6-million in 1956, by 1966 it was R18-million.

Unfortunately, the information in the blue books was not always recorded in the same way each year, which has made comparison difficult.

All these figures impressed me immensely. Then I came upon an aspect that worried me. It struck me that all was not well. It struck

:- me ...

me that the credulity and lack of knowledge of the public was being exploited. I refer to the great wastage due to lapsed and surrendered policies. In the returns for the year 1950 it gave 40564 policies lapsed, of which 17016 were in respect of policies where premiums had been paid for less than a quarter, 14137 for more than a quarter but less than a year. The sums insured were R58-million and the annual premiums 1,675,874. During the same year 24831 policies were surrendered. In 1966, 181,807 policies with premiums of R8,800,000 were lapsed or surrendered. This has raised many queries in my mind:-

Do people know what they are doing when they take out policies?

Do the agents who write these policies take sufficient care to explain the long-term implications when persuading persons to take out policies?

Do the companies take sufficient care in appointing agents and scrutinizing the policies?

Is it in the best interests of the economy that savings are wasted in this way?

I am told that policies lapsed in this way are not beneficial to the companies. What are the agents' motives in writing policies of this nature?

Do the public understand what they are doing?

I am asking the questions, you folk know the answers.

As an example, when selling policies which qualify for the R2,000 deduction from taxable income, on what is your emphasis? On the value of the intrinsic investment of the R2,000 proving that the policy is well worthwhile, because with the saving of tax the real cost to the taxpayer is considerably less and its on this lesser amount that the taxpayer is getting value for his money.

You may think I have a colossal cheek in asking these questions, but if I have read your literature correctly, it seems to me that this unsatisfactory state of affairs is the justification and reason for the founding of your institute.

Life insurance is too important in its social consequences both from the great benefits that can be derived if correctly used and from the misuse of the present state of affairs to left to the casual unskilled and avaricious agent, whose sole interest is his commission.

To me a life offices' target should not be set on the new

:- policies ...

policies written during the year, if those policies will shortly be lapsed or surrendered.

I heartily support your institute's objectives and hope that the life companies will give attention to the reduction in lapses and surrenders and this can only be achieved by better screening and more responsible selling. Life insurance agents should not be recruited from persons who have failed in other walks of life and who are turning to the selling of life insurance as a last resort.

You wish to make the selling of life insurance a profession. What is a profession?

The dictionary says that a profession is that which one practices as a calling or a vocation and suggests that a person who is a member of a profession has a special fitness or aptitude for that profession. I would like to suggest the following seven pillars of a profession :

Firstly, technical skill and craftsmanship received by education and study. This education must be continuous to keep up to date in a profession.

Secondly, to me it is of the essence of a profession that members who have acquired these skills are prepared to spend infinite time and patience in training new members of the profession, so that the standard of the profession be retained. In this competitive world this is a hard thing to ask.

Thirdly, there must be loyalty and pride in a profession, so that standards are maintained and failure of one reflects on the profession as a whole. If one fails, one is not only letting oneself down but also one's colleagues. In your case, with affiliation with similar institutes in other lands there is a larger fellowship to which one owes an allegiance. Fourthly, there must be a sense of social responsibility. In your case you must consider the effects on families. What satisfaction it must give you when you know that through your efforts widows and orphans have been saved from catastrophe. Life insurance correctly used and correctly sold can be of great benefit to the community.

Fifthly, I would suggest personal integrity, because how can one advise unless one has the full facts. How can one get the facts unless

you ...

are trusted and regarded as a person who will give the correct advice based on the needs of the client, for in many instances you are dealing with people with very little knowledge who have not the capacity to judge the merits of the various policies available to them.

Sixthly, I would suggest that one must have a sense of purpose and faith that there is some meaning in life. That what one is doing is worthwhile and for the good of the community.

Lastly, speaking from my personal knowledge, I count as among the greatest in my profession people who are quiet, unassuming, with a sense of dedication to their work and their colleagues, people of great humility.

Last year I attended a world conference in Toronto. The subject of the conference was the development of metropolitan areas. Johannesburg was one of the 40 cities with populations of over one million that was asked to attend. I will deal with only one aspect which was forcibly brought home to me, and that was the population explosion.

From the year 350 A.D., to 1850 A.D. a period of 1,500 years, the population of the world doubled. The next doubling took place in a period of only 100 years, 1850 to 1950. It is now predicted that it will only take 40 years, I.E. 1950 to 1990. Another phenomenon in the world today is the shift of the population from the rural to the urban areas.

It is anticipated that Johannesburg's European population will increase from 413,153 in 1960 to 943,000 in 2000 and that in the same period the total population will increase from 1,158,525 to 2,867,000. With the growth in the income of the country what a great prospect for the writing of life insurance. Will this be exploited or will the needs be correctly catered for? It is up to you as to whether these policies will fulfil their purpose and run their course or policies which will lapse. Which shall they be?

May your Institute continue to prosper. Bear in mind that honesty is the best policy, provided the policy does not lapse.

for 1/ Aug. 1.

see p 6.

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The Life Underwriter

Die Tydskrif van die Vereniging van Lewensversekeringsverteenwoordigers van Suid-Afrika.

EREKODE

Ek onderneem plegtiglik:—

1. Om die hoë aansien van my besigheid te handhaaf en te strewe om die prestige daarvan te behou.
2. Om die doel van die Vereniging van Lewensversekeringsagente te ondersteun en bevorder, om die beginsels daarvan te handhaaf, en ten alle tye die Konstitusie en wette wat lewensassuransie beheer te gehoorsaam.
3. Om die vertroue van my klante en moontlike klante te respekteer, hul belange bo myne te stel en hulle te adviseer sonder vooroordeel en sonder inagneming van persoonlike belange.
4. Om stiptelik die hoogste standaard van besigheids/en professionele gedrag te handhaaf.
5. Om die prorogatief te respekteer van en saam te werk met, alle ander wie se dienste konstruktiewelik saamval met die van ons in die verskaffing van die benodigdhede van klante.
6. Om nie 'n verdraaide of wanvoorstelling woordeliks of skrifteliks aan enige moontlike polishouer te maak nie.
7. Om nie toe te stem tot die vermindering van enige deel van my kommissieloon òf direk òf indirek aan 'n moontlike polishouer as 'n beweegrede om 'n polis uit te neem nie.
8. Om nie 'n bestaande polishouer van my eie of enige ander Lewensassuransiematskappy oor te haal om 'n bestaande lewensassuransiepolis opsetlik te laat afkoop, verval of opbetaal met die doel om dit te vervang deur 'n nuwe polis deur my nie, en pliggetrou te poog om lewensassuransiepolisse van my eie en ander lewensassuransiematskappye in stand te hou.

No. 24

JUNE, 1968

In this issue

- Joe Steingold's address at A.G.M.
- The Banquet.
- Office Bearers 1968
- Trends in Life Assurance Marketing.

Thanks:

Any committee can only succeed as a team and I wish to express my thanks to all the councillors who have given of their time, often at great inconvenience to themselves, in assisting me to run your affairs for the past year. I think it would be wrong to single out individuals for special praise, but I can assure you that, almost without exception, the members of the Council have dedicated themselves to our cause and have done a wonderful job of work.

Conclusion:

Overall, I think this has been a year of progress and certain foundations have been laid which are but the stepping-stones to further progress and achievement of our aims. Even though we have not been able to

achieve all we set out to do this year, we still have hopes that many of our contemplated projects can be successfully carried out at some future date.

I shall not be offering myself for re-election as president this year, but will be on the Executive ex-officio, as immediate past president. I will continue to serve the association to the best of my ability.

Good generals and officers cannot win a war without the rank and file of any army and whilst there are men who are prepared to serve on the general and regional councils, it is up to the rank and file of our membership to pull their weight and do their share of the work. It is only by carrying out this principle that we can further the aims and objects and ensure the continued success of our Association.

THE BANQUET

COUNCILLOR P. R. B. LEWIS' ADDRESS

THE guest speaker at the banquet was Councillor P. R. B. Lewis, Deputy Mayor of Johannesburg and it was evident that he had done some sound homework on his subject — Life Insurance. Some highlights of his speech were:

Insurance premiums on life policies in South Africa increased from R46 million in 1950 to R165 million in 1966. Commission paid to agents was R4 million in 1950 and R18 million in 1966.

Lapsed and surrendered policies led to great wastage. In 1966, the latest year for which figures were available, 181,807 policies with premiums of R8,800,000 were lapsed or surrendered.

The population explosion: From 350 A.D. to 1850 A.D., a period of 1,500 years, the population of the world doubled. From 1850 to 1950, a mere 100 years, it doubled again. It was now predicted that it would take only 40 years to double once more. By the year 2,000 Johannesburg's population would have increased from 1,159,000 to 2,867,000 and with the growth of income of the country there was a great prospect for writing life insurance.

Councillor Lewis heartily supported the

Association's objectives and said that life insurance agents should not be recruited from persons who had failed in other walks of life and who were turning to the selling of life insurance as a last resort. He suggested seven pillars of the profession:

Firstly, technical skill and craftsmanship acquired by education and study.

Secondly, persons who had acquired the skills should spend infinite time and patience in training new members. In that way the standard of the profession would be maintained.

Thirdly, there must be loyalty and pride in the profession.

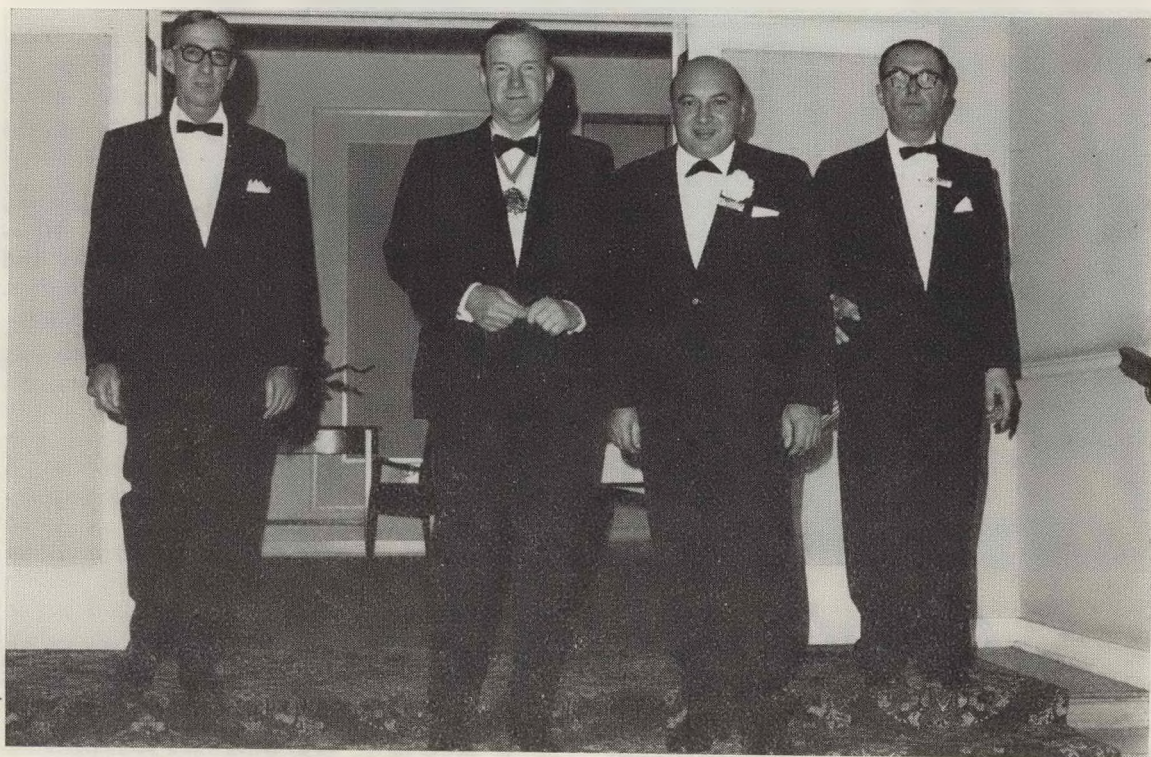
Fourthly, there must be social responsibility. Life insurance correctly used and correctly sold could be of great benefit to the community.

Fifthly, personal integrity. How could one get the facts unless one was trusted and regarded as a person who would give correct advice?

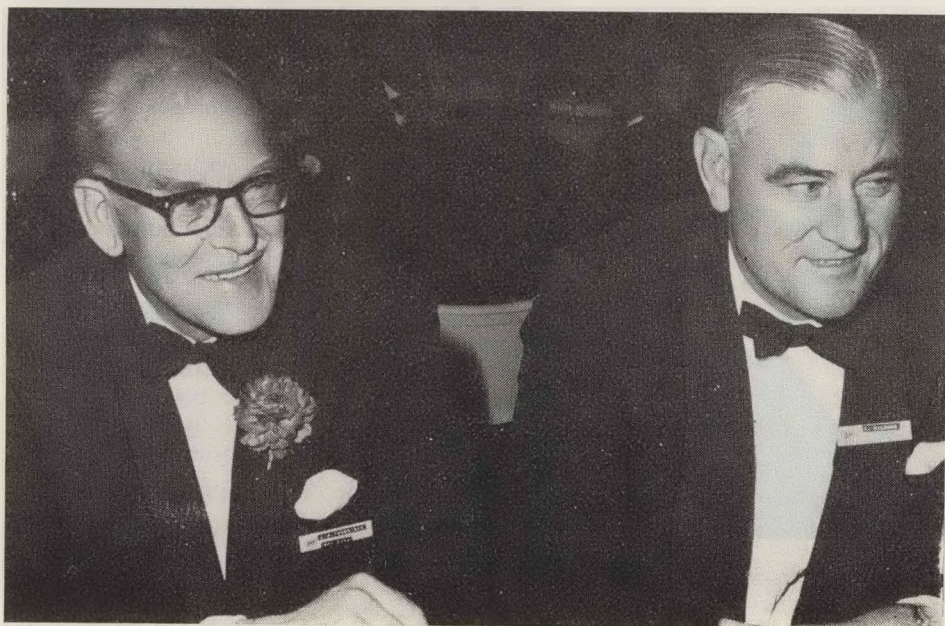
Sixthly, one must have a sense of purpose and faith that there is some meaning in life.

Seventhly, humility and a sense of dedication to work and colleagues.

AT THE BANQUET



Left to right: Reg Barry, President; the Deputy Mayor, Councillor P. R. B. Lewis; Mr. Joe Steingold, retiring President; and Mr. Ralph Ruben.



Mr. L. S. Tunbrige, Branch Manager, Sun Life, Transvaal, and Mr. I. Gilmore, Broker.

Speech

THE AFRICAN LIFE
ASSURANCE SOCIETY LIMITED
P. O. BOX 1114 JOHANNESBURG

ASSISTANT GENERAL MANAGER'S OFFICE

22nd April, 1968.

Mr. P.R.B. Lewis, C.A. (S.A.),
P. O. Box 9424,
Johannesburg.

Dear Mr. Lewis,

re : Insurance of Africans

The men you will be addressing at the LUASA conference are the big insurance writers. They will probably have very little experience of the insurance of Africans and most likely will not wish to be bothered with them.

African Life probably does as high a proportion of business amongst the African population as any Office, and I would say that many Offices would not issue any policies at all to Africans.

The insurances issued by the Society fall into three broad groups : -

- (a) The Ordinary Branch;
- (b) Pensions Department;
- (c) Industrial Department.

Approximately 2% of the Society's Ordinary Branch policy-holders are Africans but the average policy is very small indeed compared with the average policy issued to non-Africans. The proportion is growing - in 1961 it was only 1 $\frac{1}{4}$ %.

...../The Pensions Department

The Pensions Department covers pension schemes approved under the Income Tax Act where the benefits are underwritten by the Society. About one-third of the members of these pension schemes are non-European. No separate figures are available for Africans, Coloureds and Asiatics but it is known that almost all of those included in the non-European class are, in fact, Africans. Pension and Life insurance benefits are normally related to earnings and, therefore, are proportionately lower in the case of Africans than for Europeans. The proportion of Africans with this Society is doubtless high because not all Societies undertake this class of business.

Very large numbers indeed are insured under Industrial policies which are policies where the premiums are paid at the homes of the policyholders to collectors appointed by the Society. The cost of individual collection is, naturally, high, particularly in view of the low average amount of premium. The value of benefits provided under Industrial policies is in no way comparable with the benefits provided by Ordinary Branch policies or by pension schemes.

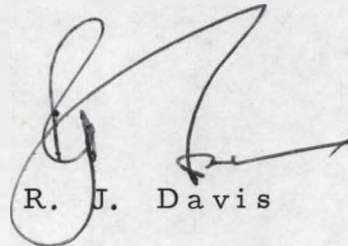
The main obstacles in the way of expansion of insurance amongst Africans are the collection difficulties and the small amount available for insurance. In pension schemes, where the employer collects contributions by deduction from earnings, these difficulties do not exist and, consequently, a large number of Africans can be insured. A high proportion of Africans insured under Ordinary Branch policies are those employed by the Government or Local Authorities who are prepared to deduct insurance premiums from earnings. Even in the Industrial Department, which sends collectors into Soweto and other African areas, it is not possible to have an office in the area where policyholders might pay premiums. It is necessary for the collectors to return with their collections and hand them in to an office in an European area.

In our dealings with the European population, we have found that those persons who do not operate a bank account nor work for an employer who is prepared to deduct insurance premiums from earnings and who, therefore, have to pay premiums to one of the Society's offices in cash every month, are very expensive to administer, and the lapse rate is high. Where there are other calls on the man's resources, the payment of the insurance premium seems to come very low indeed on the list of priorities. We have no reason to believe that the position will be any different amongst the African population.

..... / I suspect

I suspect there will be no real expansion of insurance amongst Africans, except under pension schemes, until there are large numbers of Africans sufficiently prosperous to operate their own banking accounts.

Yours sincerely,



R. J. Davis

Counselling father the selling.

People never will
knowledge of death drive Estate Duty
Inheritance Tax.

• Solution coming of asset
no will
conservation
creation. Duty of Estate

to pay tax
legal field.

• well-being of widows
children

Exempt of R/R

849069 17.58

C L. 4

Master's degree

5 year course

• Training Manual on
Personal aspects

Diploma course

Institute of Administration - G.

• 3 year course

~~Regentia of Program~~

R140 ~~000~~ ⁱⁿ type no. 1000

p a. collected 1965.

30% fort Scott.

that for budgets of branches

What portion of stock subscribed
for?

Position in bond well known
person x.

Report of insurance report
have ratio

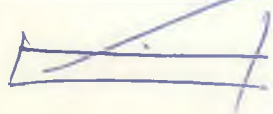
wadeful

high theme

stable but program
benefit to community

15/ not members

Advert believe ex-Annals
Substances



Hyper-faculty sciences
List of carcinogens

leave people.

Experts should be held.

20/30

Responsibilities to our
citizens

Responsibility to NE
who are not sophisticated

Responsibility

Quess work re mortality
improvement ~ birth rate

638/100

~~Start life insurance~~

~~Key insurance~~

836 / 144
urgent

market

Research for Research

Looking as an outsider

Ins
Inst

3/4

11th May 1968
Short writer

Facts of Insurance Industry at its moment - Importance of Industry
from Ins.

Ins. Ins.

Value written

Assets assured.

Assets of Insurers, funds Importance to economy.

Apparently healthy

Assets sure - lapses & surrenders.

Sale of Policies under Tax Deduction Scheme
Has value been given or has tendency to sell on basis of net cost after premium tax savings

● What does this signify

Writing of policies which would have little not understood or were not in a practical position like the through

Commission Paid - figured I was in wrong profession

Trust Growth

● Future growth

Population trends

Equal to City

Importance to Nation of correct use of insurance premiums to pay commissions

+ Operating expenses or to provide good cover & savings

Need for profession 4000 agents

Complexities of Taxation

Death duties
wills.

wrote Massachusetts law to test & intestate
Has law panels, any state.

Figures to be used.

1966

Insurance Premiums

In Republic:

164,749,000.

1956

71,972,816.

Total Home Life Insurance Co. 1966 271,976,000.

1966 Payments of <u>Values</u>	on death	440,988,000.
	on maturity	23,370,000.
	Annuitants	2,635,000.
	Surrender	19,140,000.
	Common funds	17,878,000.

New business effected. No of Policies 1966 298,414.

1950

160,811.

New Policies	Annual Premiums	<u>1966</u>	18,895,000. ✓
		1950	7,938,380. ✓

<u>1966</u>	paid by lapses & surrenders	No	181,807. ✓
		from	8,800,000. ✓

<u>1950</u>	No of Policies	40,364
	drop	24,831
	summa.	<u>65,195</u> ✓

Liabilities under contracts
 Policies of Domestic Insurance
 in Republic at 1966. 785,520,000.

1950

50

185,163,664.

That which one professes ^{or practices} as a calling.
Person who is a member of a professional has
a loyalty to his colleagues because of the fact he
does ~~or~~ discredits not himself but his profession.
^{a special business or aptitude for a particular occupation}
^{or vocation}

Essential for members of profession. Strain that who would follow on.

To become a member of a professional body, requires
has acquired the skills & knowledge set as a standard
for admission to that body.

DAILY CASH SALES

BRANCH

DATE

1 Haberdashery and Softs <small>including Bedspreads, Table Covers, Quilts, Sheets, Kadungas, Leather Goods, Straps, Watches, Stationery, Miners' Lamps, Wire, Musical Instruments, Books, Pillows, Mattresses, Doeks, Towels, Basins, Plates, Mugs, Knives, Hatchets, Gc.</small>		2 Blankets <small>including Rugs, Shawls, Sheets, Gc.</small>		3 Boots and Shoes <small>including Plimssoles, Slippers, Leggings, Miners' Boots, Rubber Gum Boots, Gc.</small>		4 Clothing <small>including Suits, Jackets, Waistcoats, Blazers, Overcoats, Mackintoshes, Cardigans, Pullovers, Collars, Socks, Stockings, Ties, Mufflers, Hats, Caps, Gc.</small>		5 Shirts and Trousers		6 Underwear		7 Piece Goods <small>including Prints, Denim, Khaki and White Drill, Calico, Gc.</small>		8 Trunks and Boxes <small>including Tin Trunks and Suitcases, Gc.</small>		9 Bicycles and Hardware <small>including Musical Instruments, Gc.</small>		10 Fancy Goods and Jewellery		11 Furniture, Sadlery, Gc.		12 Unspecified Items		13 Deposit and Other Accounts Paid	
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COST	SALES	COST	SALES	COST	SALES	COST	SALES	COST	SALES	COST	SALES	COST	SALES	COST	SALES	COST	SALES	COST	SALES	COST	SALES	DETAILS	SALES		
<i>Income in respect of life insurance</i>																									
<i>Annuites</i>																									
<i>Immediate In Reg. Out. In Reg. Out. In Reg. Out. In Reg. Out. Total Reg. In Reg. Out.</i>																									
1966	Domestic	11,689,000	9,359,000	2,405,700	2,931,000	500,000	465,000	5,142,400	6,705,000	1,922,000	2,700	18,961,900	19,490,000												
	Foreign							4,410,000	5,000	4,680,000		3,135,000	1,800,000												
	Grand Total	164,749,000	9,540,000	30,855,000	2,931,000	2,181,000	468,000	7,162,200	6,710,000	3,566,000	2,700	27,976,000	19,676,000												
1966	Domestic	7,197,281.6																							

1966		1950	
Domestic	2,489,950	Domestic	1,280,26
Foreign	4,946,4	Foreign	3,775
Total	2,984,14	Total	1,608,11

1950	
Domestic	5,712,612
Foreign	2,257,68
Total	7,970,292

1966		Claims Paid		Outlets		Annuites		Surrender		Commission		Exp on merged		Other Exp		Total Exp	
Domestic	Foreign	Ink	Outk	Ink	Outk	Ink	Outk	Ink	Outk	Ink	Outk	Ink	Outk	Ink	Outk	Ink	Outk
29,757	17,20	15,665	2,080	381	2	1,402	523	13,693	1,978	4576	1,279	110,76	654	21,843	1,443	8,829	744
427	67	#14		9		2	1	39	3			393	66	198	2	41	7
10,809		7,691	23,370	11		12,31		5,408		2,161		6,409		7,340		3,900	
40,988	1,787	23,370	2,050	401	2	26,35	524	19,140	1,981	66,77	1,279	178,78	720	29,381	1,445	12,860	751
2,830.2	1,775																

Domestic	2,810.2
Foreign	138.2
Total	2,948.4

Regional Returns

Domestic Insured. 31.5.67.

Referred. hfe Insured Underwritten 38

Foreign Insured. 19.

Income in respect of hfe business.

1956 71.

1956. hfe & Banking Funds. R449 12938

Values Reported

<u>1950</u>	No of Years	Item	Value	Total	
not more than 1/4	more 1/4 not 1 year.	1-52	area 2		
Domestic.	14149.	11788	6179	1617.	33733
Foreign.	2867.	2349	1043.	372	6631
	<u>17016</u>	<u>14137</u>	7222.	1989.	<u>40364</u>

Sum Insured - £ 29273,337

Sum Payable £ 837,937

1950
June 21 - No of Insured Sum Insured Premium

Domestic 17 855 100 26 914 £ 318 530

Foreign 6 976 47 79 102 190 922

Total 24 831 148 06 016 509 452

1950 Values - Force. $\frac{\$}{\text{No}}$ Sum Insured Prem. P.

Domestic 7 88 989 £ 500 730 660 14 600 822

Foreign 274 688 222 563 402 72 72 636

723 294 062 £ 21,873,458

1950 Value 40 364

Sum Insured 24 831

65 195

New Values 160 811

SEVEN PILLARS OF A PROFESSION

There is an old expression, "Seven Pillars of Wisdom." With this concept and phrase in mind, I am bold enough to suggest seven pillars of a profession as I conceive them to be - in terms of the individual.

The first; technical skill and craftsmanship, received by continuing education. That is a basic essential.

The second; a sense of social responsibility with an interest in community life. This is the best corrective to a narrow concern with professional matters. Too exclusive a concern, whether with one's specialty or with the world of book learning, makes for mediocrity and tameness. Tameness because such persons have never been seared by the facts as they exist in the world outside their little provinces.

The third; a knowledge of history. This is essential for the cultivated mind and provides perspective. It is a corrective for the squirrel-like accumulation of facts which passes for education in these days.

The fourth; a knowledge of literature and the arts. This acts as a catalyst; here are to be found the world of values and the repository of what has been said and done by the best minds. Such knowledge provides a philosophy of excellence, and insight that comes from sensitiveness. It is well to remember, looking back no further than the years of this century, that the barbarians do not destroy science and technology. They destroy the vessels of liberal culture - the roots of the past - libraries, the press, religion, music, art, the belief in the essential dignity of man.

The fifth pillar; a personal integrity. On this quality rests the concept of duty, a sense of responsibility. And on such things depend the dignity and the honour of a profession.

The sixth; a faith that there is some meaning and value in life. This belief must stand high in the credo of any physician worthy of the name. It is the great bulwark in a world in which, in Thoreau's words, "The mass of men lead lives of quiet desperation." And we cannot live on the capital of idealism built up by past generations.

The seventh and last; the grace of humility. The constant reflection, in the searching words of John Bradford, "There, but for the grace of God, go I." In this attitude is to be found one of the finest flowers of the human spirit. It is the solvent of intolerance and selfishness and the other deadly sins.

These, I suggest are some of the qualities that make for the equilibrium of mind which is the mark of the professional man. Their expression in action and thought is what make a profession great.

An excerpt from "The Medical Jackdaw"

by E.P. Scarlett, M.B.

Points for the O/MR. on the
PREPARATION OF HIS SPEECH AT
ANNUAL "LIFE UNDERWRITERS ASSOCIATION'S"
BANQUET 2nd MAY 1962.

- ①. Yours is indeed a young association, formed in 1958, having only 10 years of existence, striving to achieve professional status in the life insurance industry.
- ②. Great strides towards this ideal have been achieved, membership exists both throughout the Republic and across its borders to Rhodesia and Zambia (~~gossip about Zambia's nationalisation~~).
- ③. Association is affiliated to sister organisations throughout the world, having very close ties with the inaugural association - "The National Association of Life Underwriters of America".
- ④. The association has laid down a strict code of ethics and members who transgress it are brought before a disciplinary committee. Your association hopes in this way to obtain professional status and the respect that such status confers on members of such a group.
- ⑤. To fulfil his vocation as a successful life insurance under-

②.

WRITER IN THIS HIGHLY SPECIALISED WORLD THE INDIVIDUAL HAS TO BE QUALIFIED IN HIS FIELD. LIFE INSURANCE IS NO LONGER THE ORDINARY "SALES COMMODITY", THE "FOOT-IN-THE-DOOR" SALESMAN, DETERMINED TO SELL A POLICY AT ANY PRICE. POSSIBLE CLIENTS ASK QUESTIONS OF A HIGHLY TECHNICAL NATURE, THUS EDUCATION, AND THE EMPHASIS ON IT HAS EVER MORE IN THE FOREFRONT OF YOUR GENERAL COUNCIL, THAT IS GUIDING THE PROGRESS OF YOUR ASSOCIATION IN THE AIM OF ACHIEVING THE STATUS OF A PROFESSION.

⑥ THE EXPRESSION OF THE "SEVEN PILLARS OF WISDOM", (DERIVED FROM THE SEVEN SAGES OR SEVEN WISE MEN OF GREECE IN THE 6th CENTURY BC.?) COMES TO MIND.

KEEPING THIS PHRASE IN MIND MAY I PROCEED TO SUGGEST TO YOU MY IDEA OF THE "SEVEN PILLARS OF A PROFESSION" AS I VISUALIZE THEM

A. TECHNICAL SKILL AND CRAFTMANSHIP
RECEIVED AND CONTINUED BY EDUCATION OF SUCH A HIGH ORDER AS EXISTS IN THE "AMERICAN COLLEGE OF LIFE UNDERWRITERS" — WHERE THE PROFESSIONALLY MINDED INSURANCE AGENT CAN OBTAIN A UNIVERSITY DEGREE KNOWN AS THE C.L.U. (CHARTER LIFE UNDERWRITER) WHICH HAS THE SAME STATUS THAT THE C.A. HAS TO THE ACCOUNTANT.

AS DEFINED IN THE AIMS OF YOUR CONSTITUTION AND BY-LAWS "TO IMPROVE THE KNOWLEDGE OF LIFE UNDERWRITERS CONCERNING LIFE INSURANCE

3.

ITS USES AND BENEFITS TO THE COMMUNITY" AND "TO OBTAIN A GOVERNMENT EDUCATIONAL CHARTER (SIMILAR TO THAT OF THE ACCOUNTANCY PROFESSION) WITH A DEGREE TO BE KNOWN AS THE C.H.U."

IT IS HOPED THAT IN THE NOT TOO DISTANT FUTURE S.A. CAN ALSO OFFER THIS DEGREE SO READILY AVAILABLE AT EDUCATIONAL CENTRES IN AMERICA, CANADA AND AUSTRALIA.

B. A SENSE OF SOCIAL RESPONSIBILITY WITH AN INTEREST IN COMMUNITY LIFE. PROFESSIONAL MATTERS TEND TO NARROW THE OBJECTIVES AND CONCERN OF THE INDIVIDUAL PERTAINING TO THEM. THIS SPECIALISATION AND INTEREST OF ONLY "WHAT THE BOOK SAYS" MAKES FOR MEDIOCRITY AND UN-IMAGINATIVE THINKING.

YOUR AIMS AGAIN COME TO MIND "TO PROMOTE KNOWLEDGE ABOUT THE MANY VARIED FACETS OF LIFE INSURANCE AND SO BRING MORE COMPETENT ADVICE TO THE INSURING PUBLIC", THE COMMUNITY AS SUCH ^{ARE} YOUR CLIENTS, YOU DO HOLD A SOCIAL RESPONSIBILITY (AMOUNTS OF INSURANCE HELD IN S.A. ?), IN UP TO 80% OR 90% OF DECREASED ESTATES THE ONLY ASSETS ARE THE LIFE ASSURANCE POLICIES.

(4)

C. A KNOWLEDGE OF HISTORY
~~IN PARTICULAR AND THE ARTS~~
~~IN GENERAL~~ -
ESSENTIAL FOR THE CULTIVATED
MIND, WIDENING OF THE HORIZON
AND BROADENING OF THE PERSPEC-
TIVE. THE ACCUMULATION OF FACTS
IN THE SPECIALISED FIELD IS
ESSENTIAL BUT DOES NOT LEAD
TO A WELL INSTRUCTED AND ROUNDED
OFF EDUCATION.

MISTAKES AND ERRORS OF THE PAST
CORRECTED IN THE FUTURE.

D. A KNOWLEDGE OF LITERATURE
AND THE ARTS - AS GIVEN

E. A PERSONAL INTEGRITY -
~~THE~~ CONCEPTS OF DUTY AND
RESPONSIBILITY - THE DIGNITY
AND HONOUR OF A PROFESSION
AS LAID DOWN IN YOUR CODE
OF ETHICS - TO RESPECT THE
CONFIDENCE OF YOUR CLIENTS
- THE ETHICAL LIFE UNDER-
WRITER. - THE PROTECTION OF A MAN'S
FAMILY.

F. A FAITH THAT THERE IS SOME
MEANING AND VALUE IN LIFE -
HERE AGAIN THE PROTECTION AND
FINANCIAL WELFARE OF A MAN'S
FAMILY AFTER HIS DEATH

(5)

9 THE GRACE OF HUMILITY -
INTOLERANCE AND SELFISH-
NESS

"OTHERS" TO BE THOUGHT OF
NOT PERSONAL GAIN BUT THE
ESTABLISHMENT OF THE "GREATER
GOOD"

THESE QUALITIES MAKE FOR THE
EQUILIBRIUM OF MIND WHICH IS THE
MARK OF THE PROFESSIONAL MAN.
THEIR EXPRESSION IN ACTION AND
THOUGHT IS WHAT MAKE A PROFESSION
GREAT.

(7) YOUNG IN YEARS BUT EMBUED
WITH KEEN ENTHUSIASM AND THE
GROWING NUMBERS THAT JOIN YOUR
RANKS, I HAVE NO DOUBT THAT
SUCCESS WILL CROWN YOUR EFFORTS
JUST AS SUCCESS CAME TO THE
PIONEERS IN THE FIELDS OF
MEDICINE, LAW AND ACCOUNTANCY.

		In Republic
1966.	Insurance Premium on life policies pa.	164,749,000
1956		71,972,816
1950.		46,217,986

Total Revenue of life insurance companies 1966 271,976,000.

	No of Policies	Sums Assured	Annual Premium
New business effected. 1966	298,414		18,895,000
in Republic X 1956			
1950.	160,811.		7,938,380

Reports & Surveys. 1966.	181,807.	8,800,000
X 1956		

1950. reports	40364	}
Surveys	24831	
	<u>65195</u>	

Unmatured policies of Domestic Insurers outstanding	1966	785,520,000
Unmatured	+ 1956.	
	1950.	185,163,664

Domestic business	1,112,314,000	}
Foreign	1,509,676,000	
		2,621,990,000

Assets held in respect of long term insurance

Life Ins Life & Banking Fund	1966	1,112,314,000 2,621,990,000
Domestic companies	1956	449,172,938
	+ 1950.	

Commission Paid.	1966	17,878,000
	1956.	6,104,440
	1950	4,093,572

1950

Surveys: Insured. Premiums
No of policies

Domestic 17855 8

Foreign 6976

24831

Lapses

1950 Policies Lapsed.

	Premiums Paid No more than 1/4.	more 1/4 not 1 year	1-2 years.	more than 2.	Total.
Domestic	14149	11788	6179	1617	33733
Foreign	2867	2349	1043	372	6631
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	17016	14137	7222	1989	40364

Sum Insured R 58,546,674

Original R 1,675,874

Premiums

Sales Value of
Imported Goods

Month AVAILABLE

April	140355	37020
April low	135881	
May	156705	37000
June	80781	37000
	<hr/>	<hr/>
	513722	111020
	166030	55010
	<hr/>	<hr/>
	679752	166030
	<hr/>	<hr/>
	25000	
	1475	
	<hr/>	

420000

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