



The early years



Great-West Life was founded
in Winnipeg in 1891.

These stories and photographs
from our corporate archives
provide a glimpse of the company's
early years.



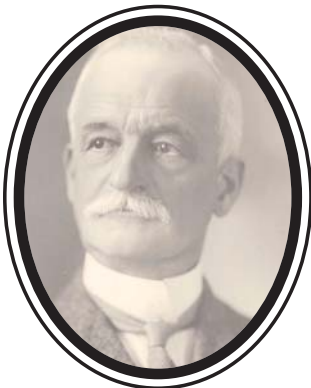
THE GREAT-WEST LIFE
ASSURANCE COMPANY

*100 Years of Service
1891 to 1991*

THE HISTORY

For the frontier town of Winnipeg, prosperity was fickle. It came and went with the railway men of the 1880s, one of many boom and bust cycles that left investors wary. By 1890, money was tight. Insurance and interest rates were high. Farmers, businesses and towns couldn't get the money they needed to grow. And they were angry.

ONE man harnessed the anger, the pride and the pioneering spirit, and put them to work to solve the problem. That man was Jeffrey Hall Brock, 41-year-old partner in the Carruthers & Brock Insurance Agency, the largest and most successful agency in the Northwest. His solution was The Great-West Life Assurance Company.



GREAT-WEST LIFE was incorporated by an Act of Parliament on August 28, 1891. The hyphen was added to the incorporation documents by the printer. The objective of the new company was no less than to “effect contracts of insurance throughout Canada and elsewhere”. The word “assurance” in the company name was the term for insurance commonly used by British companies.

STARTING a life insurance company in 1891 was an expensive business. Great-West Life's Act of Incorporation required that it sell \$400,000 worth of stock, with \$100,000 of that paid for in cash; and deposit an additional \$50,000 with the federal government, before the company could begin business.

The company's first shareholders included merchants, doctors, bakers, farmers, brewers and even a harnessmaker and the local sheriff. Great-West Life was

granted its official license to sell insurance on July 22, 1892, almost one year after its incorporation.

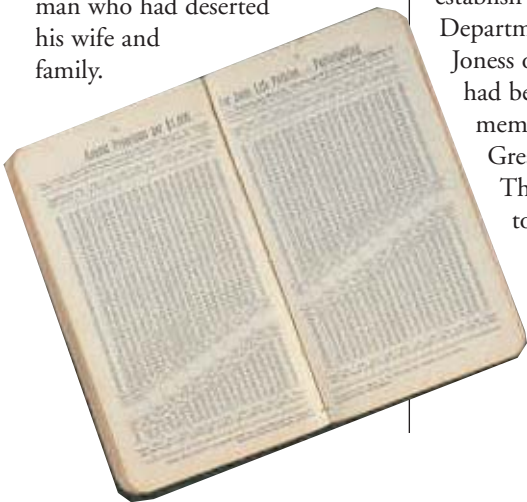
WITH such heavy start-up costs, there was little to spend on accommodations. Great-West Life's first office was rented space that held five staff and cost \$30 a month.

THE company's first annual general meeting, on August 24, 1893, was a time for celebration. Director Robert T. Riley couldn't resist a bit of smugness when he addressed the meeting: “Some friends of mine, who knew a great deal more about the insurance business than I did, made the statement that there was no possibility of a company with a headquarters in Winnipeg being made a success. My reply was that Mr. Brock had stated we could acquire during the first year one million dollars of business.



The idea was scouted. It was stated that the acquiring of that amount of business by any new company was an absolute impossibility. Now that the company, at the end of its first full calendar year, has a business in force of \$2,268,000, we can only take it for granted that this is not the kind of company my prophetic insurance friends referred to."

GREAT-WEST LIFE'S first agent's manual, published in 1892, urged agents to seek out "men of sound physical condition, who are of good character and free from vicious or intemperate habits". They meant it – the Board Minutes of October 24, 1894 show that the company refused to insure a man who had deserted his wife and family.



Great-West Life offered six insurance plans in 1892: Ordinary Life, Limited Pay Life, Endowment Collateral Security, Renewal Term, Savings Bank, and Annuity Bonds. The maximum face value was \$10,000 and applicants had to be between the ages of 18 and 65.

The first manual also warned that "agents are not desired to specially canvass among females". By 1898, however, that had changed and many types of insurance were available to women. The change was described as "a forecast of the changing conditions that are giving women greater prominence both in the political and business worlds – and the extending field these altered conditions offer for Insurance on female lives".

In 1913, Great-West Life announced to its agents: "We not only believe that women can carry Life Insurance with great advantage to themselves, but we believe women can sell Life Insurance," and proceeded to establish the "Women's Department". By 1920, Mrs. I.A. Jones of Fort William, Ontario had become the first woman member of Great-West Life's Hundred Thousand Dollar Club for top producing agents.

By the 1930s, Great-West Life was marketing policies designed specifically to

provide pension income for professional women.



GREAT-WEST LIFE received its first death claim in July of 1893. The insured had been in a bicycle accident. The \$1,000 of insurance "literally saved the beneficiary from destitution. She was without friends and, save for the life insurance, was without a dollar in the world."

(The Great-West Life Bulletin, August 1909)

MORE than 1,100 people lost their lives when the Titanic sank on its maiden voyage across the Atlantic. Among them were two Great-West Life policyholders, an indication of how "few events of importance can transpire that do not in some way affect the company, or its members".

(The Great-West Life Bulletin, April 1912)



IN 1893, the company opened its first branch office in Toronto. By 1896, Great-West Life was represented in every province.

The company then turned southward, and in 1906, opened its first U.S. office in North Dakota. In the minutes of its meeting of February 6, 1906, the Board of Directors declared that “A favorable opportunity having occurred to enable the company to commence business in North Dakota, advantage was taken of it and we are now doing business in that state which is within seventy miles of our head office and is settled by the same class of people as we have in Manitoba.”



**THE
STRENUOUS
LIFE**

UP until the 1930s almost all Great-West Life’s business was rural – sold in small towns and farmers’ fields. That required a great deal of travelling, and no small amount of ingenuity.

“DURING the week we covered about two hundred and fifty miles in a buggy; travelled eighty-three miles by rail; canvassed seventy-two individuals; and secured twenty-nine applications. We worked thirteen to fourteen hours a day.”

(Agent’s letter, January 1912)

IN the early ‘20s, Agent Claude Dunfee had his car fitted with a small office in the back seat, and would park on a town’s main street: “There were no trunks in cars those days. Spare tires were carried outside attached to the back of the car with a cover over them, and on mine I had ‘Great-West’. Really, not too many people knew my name, but everybody called me ‘Great-West’, because they’d see this car around the country or parked on the main street.”

IN 1921, agent I.F. Pickett of Fargo, North Dakota became the first life insurance agent to use an airplane for business. His sales pitch was: “Don’t wait until you die and go to Heaven to take that life insurance. The Great-West Life will meet you half way, if it takes an airship to do it.”



IN 1927, Agent F.C. Kerr, of North Battleford, Saskatchewan used a “snowmobile” to keep his sales up during the long winters. “The basic principle of the machine is the traction belts running over the rubber tires.”



These traction belts are made up of a series of metal plates, joined together by steel links and the weight of the car squeezes the snow up between the steel links thereby lessening the possibility of slipping, while at the same time increasing traction.” Mr. Kerr travelled 200 miles on his first trip, over previously impassable roads, at a speed of from 15 to 20 miles per hour.

RAPID growth caused Great-West Life to go through a series of five office moves, until the company decided to build its own head office. When completed in 1911, the building housed 108 staff, including 17 women. It featured a cafeteria so the women “would not have to jostle with the throng nor be subjected to the ogglers on every hand taking their nooning.”

(Consultant's Report, 1908)

NO one was out of reach of the industrious agent, even in war, as this letter from one staff member noted: “Here in the 100th Battalion, there are many signs of the wide activities of The Great-West Life...every morning on parade, the air is thick with the 'little red books' – for every officer and non-com uses the Great-West memo book for roll call.”

(Major G.M. Reid, Winnipeg Grenadiers, 1916)



By the end of WWI, Great-West Life had paid over \$1.5 million in claims. The Spanish influenza epidemic of 1918 was almost as devastating, with death claims totalling more than \$1.2 million. Few families were untouched. Many who died were young – like staff member Ella Nichols, who contracted the flu as a volunteer nurse. Ella’s name was added to the company honor roll “as worthy as any of our men who served overseas”.



IN 1920, Great-West Life became one of the first Canadian companies to enter the new field of group insurance, stating that “Such insurance we believe will have a salutary effect upon the economic condition of our country and will enable the employer to show a practical interest in the welfare of his employees and their families.” Then, group insurance was strictly term life insurance, with the employer and employee often splitting the cost.



WHEN the dustbowl of the '30s hit, more than 80 percent of the company’s assets were invested in farm mortgages. With drought ravaging the prairies, income from those mortgages all but ceased. As well, many policyholders, out of work and out of money, stopped paying premiums and started borrowing against their policies.

But years of cautious management had helped Great-West Life build the financial strength to weather the storm, and to help its clients do the same.

WITH no social safety nets yet in place, the Depression increased demand for financial security. Great-West Life introduced a program to help policyholders who couldn't pay their premiums keep at least some of their insurance coverage. It introduced a low-cost Family Protection Policy, and a Pension Bond designed to help professional women provide for their retirement. And it worked with farmers to help them manage their debts.

The Depression also showed Great-West Life that it had to diversify its business and investments.



FEW lives were untouched by World War II. More than one-quarter of all the men – and many women – associated with Great-West Life were on active duty during the war. Virtually all the other head office staff joined the Great-West Life War Service Unit. One of its more exuberant efforts was the Great-West Life Variety Troupe – 32 men and women who toured the armed forces camps in Manitoba, putting on 162 shows for 100,000 servicemen.

By the end of World War II, Great-West Life had paid \$1.9 million in claims.

In 1963, the company registered the Great-West Life key as its corporate symbol. The key was part of an overall corporate redesign program which included the creation of a special color – “Great-West Life green”. The key remains a distinctive part of the company’s logo and is prominently featured on promotional materials.

THE FAMILY

THE role of life insurance in protecting financial security has made the family a dominant theme in Great-West Life’s publicity over the decades.

IN the early 1920s, calendar cards were a popular promotional item for clients. These featured original illustrations of children’s fairy tales. By the ‘40s, these had been replaced by the more durable celluloid calendar cards.

Goodwill gifts for clients have been an important part of publicity programs over the years.



THIS birth announcement was part of a “Baby’s Record Book” that agents in the 1920s gave their clients who had just had a new addition to their family – and to their insurance needs.



ONE of Great-West Life’s most popular campaigns was “Mother & Child”, introduced in the mid-1930s. It was a part of the company’s first billboard campaign.

IN 1945, the boy and dog appeared on company calendars. Its popularity led to the creation of a series, including this blotter, which lasted well into the 1950s. The illustrations were all original oil paintings.



IN 1909, pneumonia, tuberculosis and typhoid were the major known killers. Then, the company refused to insure people with rheumatism, hay fever or varicose veins; heart, kidney or nervous “affections”; or anyone with “dangerous associations” or “who presented a moral hazard”. Yet only about 8 percent of applications for insurance were refused.

JUST five years later, Great-West Life installed the IBM 7070, which used magnetic tape instead of punched cards, and read information 155 times faster than the 650.



THE Great-West Life purchased this photostat machine in 1945. It used 21 gallons of developer and fixer a week, and included a large oven to dry newly-made copies.

A company is known by the company it keeps, and over the years, Great-West Life has kept company with a remarkable group of innovative, dedicated and professional people.

Through this magazine, we've tried to provide a glimpse of the people and the events that have shaped Great-West Life. These stories are a salute to the spirit and the pride that have helped us earn a place of respect in communities across Canada. We hope you've enjoyed them.

THE
Great-West Life
ASSURANCE  COMPANY