

writers' Convention at Bretton Woods, N.H. the Hon. Arthur I. Vorys, of Ohio, spoke in favour of the tendency towards a stricter supervision of insurance by the State. Our New York correspondent at the same time pointed out that the State insurance departments are keeping a more watchful eye than formerly upon the details of the insurance business. So that the evidence goes to show that a decided move forward towards greater supervision is under way. Whether it will lead in the direction of control by the federal authorities or whether supervision will be continued on more strict lines by the multitude of the States remains to be seen.

INSURANCE COMPANIES A BENEVOLENT INSTITUTION.

Mr. Franklin Moore, the President of the Board of Casualty and Surety Underwriters, in his annual address took the view that Federal Supervision, as a fact, is a long way off. At the same time, considering that in the near future any change was improbable, he thought it well to give consideration to the subject of supervision as the American companies now have it, without in any degree, lessening efforts in the direction of securing something deemed to be better. Had the insurance companies done and were they doing, he asked, all that they might to place closely before all the people, an intelligent understanding of the precise position that insurance companies hold in the social and economic problems of the day?

Insurance, he agreed, was a benevolent institution rather than one with the attributes of the much-disliked "Corporation."

"When one undertakes to direct the destinies of an organization so humanitarian in its purposes and so filled with opportunities for good to society at large, his duty is the greater to be influenced and guided only by the highest motives; to recognize that his chosen field of work is with the individual and that what concerns the public as a whole intimately concerns him. His energies should be directed to the advocacy and promotion of any measure which has for its purpose the good of the people. If doubt assails him as to his course in any given instance, let him be decided by views favourable to the individual (the people in other words) whose interests it is our duty to protect. We have done this, of course, but we must do more of it and at the same time we must undertake to educate the people to the fact that in insurance companies, at least, they have a Corporation which stands for them, and a corporate influence in their behalf quite as powerful as any influence, corporate or otherwise, that they may assume is directed against them."

Mr. Moore expressed the opinion that continued work on these lines would develop a sentiment in favour of the companies, and would have much to do with the lessening of taxation and the enactment of laws and regulations that are now being called for under the mistaken notion that as "corporations" the insurance companies must be bad and must be controlled.

GOVERNMENT CONTROL HAS COME TO STAY.

Mr. Moore's ideas were carried somewhat farther in an able paper, by Mr. Robert Lynn Cox, General Counsel and Manager of the Association of Life Insurance Presidents, under the heading "Modern co-operative methods to meet modern tendencies in government control." To Mr. Cox it seems that Government control of business has not only come to stay but will

steadily extend, and he does not believe that the present tendency to interfere with the individual will of the owners of large business interests is but "a swing of the pendulum."

"There are many men in the various branches of the insurance business who frequently declare, and no doubt firmly believe, that the present era of state control and regulation, which they designate, somewhat according to their humour, as interference, usurpation or confiscation, will pass away with the passing of time. But I doubt if they believe this with reference to other closely supervised and regulated business activities. Do we in the insurance business believe that the railroads will ever again be given the freedom they formerly enjoyed in the matter of making rates and otherwise controlling the details of their business? Will they ever be allowed to pay rebates to large shippers or to abandon crossing safeguards or discard automatic safety devices, which the law now forbids or compels, as the case may be? Does anybody believe that the pure food laws will be repealed, or their stringency be relaxed? Would we be in sympathy with the repeal of such laws? How far would we, as citizens and voters, go in the way of repealing any of the restrictive and regulative statutes applying to 'the other fellow' and not to us? No, let us as practical men assume once and for all that the insurance business is going to be regulated in detail by law and closely supervised by forty-eight or more States of the Union, and, perhaps, by the Federal Government as well, if certain Federalists in public office and in the business of insurance have a well-founded faith and are successful in the campaign they are waging for Federal control."

Mr. Cox proceeded to point out some of the difficulties of the problem thus raised, from the point of view of the insurance companies—the differing laws of the 48 States, the fact that men who have no knowledge of the insurance business are appointed as insurance commissioners, and then retired by the whirl of the political wheel just at the moment when they have become fairly well acquainted with the duties of their office, and hasty and ill-considered legislation.

MALIGNANT LEGISLATION.

On this question of legislation Mr. Cox expressed the opinion that that which affords the most serious problem of today is the legislation which is intended to favour one company or group of companies as against others or to work injury to certain companies while others in competition with them are exempted from the law's provisions.

"It is legislation of this class which affords the most serious problem of to-day. For, under the guise of meeting the demand for control and regulation of the insurance business generally, we find a large volume of proposed legislation that is inspired by companies having no higher purpose than a desire to hamstring their competitors. Whether it is directed in favour of the small company against the large company, the old company against the new company, or in favour of the home company against the company foreign to the State which is asked to legislate, it is all of the same breed and character. Under pretence of protecting the public it seeks to injure good companies and to further the interest of certain companies which by virtue of immaterial differences in form of organization or places of domicile are excepted from its restrictions. It is to deal with legislation of this class that, in my opinion, makes co-operative action and friendly association on the part of all reputable companies absolutely necessary. They should unite to defend the business as a whole, to support its highest ideals and to decri the bickering and backbiting which serves to discredit all."

Mr. Cox, therefore, urged the maintenance of associations of insurance companies which will not only work for the general interest of the business but against which the charge of personal interest cannot fairly be raised and against which it is not likely to be presumed. Such organizations