

## THE THREAT OF STATE INTERFERENCE.

The attention of insurance interests in the United States is being drawn to the significance of the recent moves in the railroad strike situation. It is pointed out that President Wilson decided the far-reaching and important question of the eight-hour day offhand and on the basis of his personal sympathies, that the principle of arbitration has been set aside and that the Government is committed to the task of framing hours of work, wages, rates, prices and the flood of economic and political consequences of this action. The insurance business has already been interfered with to a great extent through State regulation of rates and State rate-making, State insurance funds of various sorts, monopolistic and otherwise, and campaigns are now being actively pushed for compulsory health and accident insurance and for social insurance under federal control. What, it is asked, may be expected if the political and regulatory methods established by the railroad strike situation are to prevail hereafter?

The points raised have an interest for Canadian underwriters. The interference of Governments in the Canadian insurance business has extended in recent years far beyond the limits of excessive taxation, extensive as those limits are. The readiness several provinces have shown to follow Ontario's example in the establishment of a monopolistic scheme of Government workmen's compensation insurance, frankly confiscatory in its effects upon established business, is an indication of the extent to which radical ideas of Government interference in the business of insurance have got hold of the minds of Canadian politicians to the exclusion of any considerations of common sense, justice or equity. The foolish view is widely held in Canada that workmen's compensation on modern lines cannot be satisfactorily administered except by Government. In the prairie West, a start has been made with municipal hail funds, and in view of the strong radical sentiment in that section of the Dominion and its close proximity to some of the States which have been leaders in governmental interference with insurance, it seems likely enough that these funds are merely the thin end of the wedge. Moreover, it is hardly going too far to say that the possibility, if not the probability, may have to be faced before long of an attempt to take rate-making in fire insurance out of the hands of the companies who stand the racket of losses, through some system of government supervision of rates or Government rate-making. The attempt may not be successful, but there are at least indications that it may be made, to the accompaniment of a campaign against the companies and with the idea perhaps of fixing popularity for certain politicians with the "deer peepul."

In any event, the fact should not be overlooked that developments in the United States in regard

to Government interference with insurance, have a very powerful influence in Canada and the signs of the times need closely watching.

### THE ONTARIO PROBE.

The Ontario Government's investigation into all insurance affairs with the exception of life and marine is following the lines of the States of the Union and not that of Great Britain. With all the restrictions governing insurance in the United States, it is not as favourable to the public as it is to be found in England where everything is practically as free as air.

The fact that Fire Marshal Heaton has had such free access to everything in connection with the Canadian Fire Underwriters' Association would seem to indicate that this important body has at least the courage of its convictions and has nothing to hide. The Fire Marshal's strictures may or may not have been well founded, but it is worthy of note that his criticism is destructive rather than constructive. We fail to find anything in his report to indicate that he has any improvement to suggest in what he complains of.

Owing to pressure on our space this week, we have been compelled to hold over until our next issue an account of the recent interesting and highly successful convention of the Mutual Life of Canada's agents at Niagara Falls.

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