

cies, for, while there may be points upon which there will be a difference of opinion in connection with the conduct of the business generally, yet we have no hesitation whatever in saying that the life insurance companies holding either a charter or license from the Dominion Government are financially above suspicion, and in a position to meet every obligation undertaken.

ROYAL COMMISSION ON INSURANCE.

SCHEDULE OF INQUIRIES.

The immensity of the labour involved in replying fully to the questions set by the Royal Commission on life insurance can really only be grasped by the officials. Although some of the interrogations appear at first sight comparatively simple and answerable by referring to office records, replies to them can only be reached after an exceedingly tedious tabulation of item by item. Even to a young office with a small business the difficulty of extracting the required information is serious enough. To a large institution its accomplishment could not be possible unless all routine business were suspended and the entire clerical staff set at the work. It is doubtful whether the information could even then be supplied before the lapse of a year.

The insurance companies of Canada are not likely to thwart the efforts of the Commission to enquire into every detail of their business, but the Commission should not ask for more information than will be necessary.

If the companies put themselves to the great inconvenience and serious expense of collecting all the information which is asked what assurance have they that sufficient use will be made of their reports to justify its preparation, or that the Royal Commission will be in existence by the time they are ready. Voluminous documents have a way of being laid aside without being consulted. Nor have the companies any warrant that this vast collection of information could be of any practical value to the Royal Commission.

If the Royal Commission is in absolute need of all it requires the Insurance Department at Ottawa might be well entrusted with the task of getting the information ready, in which labour the offices would willingly give assistance to the Government officials. The companies would be left free to pursue their ordinary business without the serious interruption involved by the present method and the Royal Commission would receive its information direct from its own representatives. Perhaps then the physical impossibility of itemizing for 15 years every petty transaction, in the manner prescribed by the queries would be understood.

Many of the questions are of such a nature that answers which give accounts of the most simple and

innocent transactions, may be brought up before the Commission and made to appear to compromise the company. For instance, returns are required showing all dealings with stocks of individual shareholders for the past 15 years. Some transfer innocent in itself occurring years ago may not be now explainable because all the parties to it are dead or because the records made no particular mention of the circumstances.

Under the heading of "Premiums" the question is asked whether loadings have been found to be inadequate and how the deficiencies arising therefrom have been made good. How the companies are going to apportion the share of fixed expenses with which each plan of insurance is to be debited is difficult to see.

Several times in the course of the list of questions, the companies are expected to make returns in connection with rebates. It is extremely improbable that the books of a life company will show any items under this head, for rebating is a transaction between the agent and the policy-holder.

The companies are interrogated upon the method of computing the reserves required by the Government upon different classes of policies, overlooking the fact that the Dominion Act sets down the maximum rate of interest and the mortality table which life companies must employ in the valuation of all descriptions of policies.

These and many other questions indicate the practical impossibility of complying with the demands of the Royal Commission.

By setting simple questions of direct bearing and significance the workings of the commission could be simplified without making their investigation any the less searching.

By the stupendous pile of immaterial evidence which is being sought for, the purpose of the commission is more likely to be nullified than accomplished.

Their right to information need not be curtailed, but on the other hand the companies should not be expected to answer questions of unreasonable length which have no practical bearing upon the points at issue.

THE ROYAL COMMISSION ENQUIRY.

PROCEEDINGS RESUMED.

After the proceedings of the Royal Commission had been suspended for some days, they were resumed on 28th inst., when a large number of representatives of the life insurance companies were present.

The enquiry was directed to the work of the Insurance Department. Mr. Fitzgerald, superintendent of insurance, gave a mass of evidence, statistical and otherwise, to support and illustrate the statement he had previously made that the staff of