

II. CANADIAN INSURANCE LEGISLATION.

While the efforts of our legislation were coming to fruition, the Government of Canada were overhauling their insurance machinery, impelled thereto, as we were in great measure, by the lamentable occurrences in the United States. The results of their protracted deliberations are seen in the Dominion Insurance Act, 1910. Some of the provisions of this Act possess an unusual interest for us, inasmuch as the small band of British Offices transacting business in Canada have to introduce novel conditions and features into the policies they issue there, and this may lead in process of time to the adoption of similar conditions in their home contracts should any desire to that effect be expressed by their policyholders in this country. Indeed, when the same rates of premium and bonus rights prevail both in Canada and at home, it might be difficult to resist any insistent demand for the same privileges as the Canadian policyholders enjoy. It is accordingly important to note that every life and endowment assurance policy must contain the surrender value for which the company undertakes to redeem the contract for each separate year of its duration up to 20 years. I am only aware of one or two British companies that incorporate this feature into their policies at home, and then I believe only for selected classes of policies; but the practice is one which may be more generally acted upon in future now that other British Offices have accepted the principle in regard to their Canadian policies. Some loss of elasticity must result, and probably surrender values if so guaranteed will need to be framed upon a cautious and moderate basis, but we must not overlook the real advantages which the course possesses in rendering contracts of life assurance readily negotiable. Every Canadian policy must provide for 30 days of grace being allowed for payment of the premium, must be incontestable after two years except for fraud, and must convey the right to reinstatement within two years from the date of lapse. A curious point arose recently in the American Courts with regard to this provision for incontestability. On a claim arising, an error in the age was discovered, and the Company sought to amend the contract by re-adjusting the amount assured on the footing of the true age. But it was held that, as proof of age was not demanded at the time the policy was effected or before it became incontestable, the Company had parted with its right to make any re-adjustment in the policy-moneys. This is a matter which may well receive the attention of our life managers. It would seem that the clause dealing with incontestability should specifically reserve the question of understatement of age. The new Canadian Insurance Act specially provides for this point. By Clause 95 (c) and 95 (e) the incontestability of the policy is made subject to an adjustment of the amount assured if the age is proved to have been understated.

Notes on Business, Insurance and Finance.

Insurance Applications to Parliament.

Application is to be made to Parliament to incorporate "The Universal Life Assurance Company of Canada," with power to carry on the business of life insurance in all its forms and branches throughout the Dominion of Canada. Parliament will also be asked to amend the Acts incorporating the Security Life Insurance Company of Canada by granting the company increased powers and specially power to do business and obligate itself under the name of "La Sécurité du Canada, Compagnie d'Assurance sur la Vie," etc.

The Port of Montreal.

The useful annual on the business of the port of Montreal, published by the Montreal Gazette, states that the shipping season of 1910 may be ranked as the best which the port has so far known.

Navigation opened on April 11, and closed December 1, so that the season was fourteen days longer than in 1909. The number of seagoing vessels coming to the port was 710 against 636 in 1909; in addition 310 vessels came in from the lakes, and there were 46 others so that altogether 1,075 vessels used the port. The expansion of passenger business has been a notable feature, 32,000 more passengers having embarked or disembarked at Montreal than in 1909. The west-bound traffic accounts for this increase, that east-bound having fallen off, and a satisfactory fact in regard to it is that the port is becoming more largely used by Americans. Freights have been disappointing. Imports have kept up to the average but exports have fallen off. Grain shipments have been especially scanty, the exportation of apples has become almost a negligible quantity, and cattle, except at the close of the season, have not been coming forward in any quantity. As a result of this scarcity in export freights, combined with the low rates prevailing, the companies confining themselves solely to cargo have hardly had so good a season as they could have wished. Customs revenue has reached the new record figures of \$10,833,191, compared with \$9,514,800 in 1909. Two new lines came to the port during the season, the Canadian Northern's steamers to Avonmouth and the new Canada-Australian line. The work of remodelling the harbour has been well advanced, a large number of railway tracks having been raised, the excavation and foundations of the new million bushel elevator completed, and a number of minor improvements made.

Home Insurance Company of New York.

The result of the investigation into the affairs of the Home Insurance Company of New York by the Insurance Department of New York State shows that the company is in an extremely strong financial position, says the New York Journal of Commerce. The report of the examination gives the company credit for total assets on July 31 last, of \$28,572,264 and after fixing the reserve for unpaid losses at \$1,156,725 and the unearned premium reserve at \$11,110,264 the examiners credit the company with a net surplus beyond all liabilities of \$9,918,230. In addition to its reserves above cited the company sets aside a special reserve fund of \$1,500,000 and a guaranty surplus fund of \$1,500,000. These taken in connection with the capital stock of \$3,000,000 give a surplus as to policyholders of \$15,918,230.

Railway Accidents in Canada.

During the year ended June 30, 1910, 615 persons were killed and 2,139 injured by railways in Canada. This was an increase of 110 in the number killed and a decrease of 47 in the number injured as compared with 1909. The year's record is as follows:—

	Killed.	Injured.
Passengers	62	279
Employees	295	1,605
Trespassers	175	148
Non-trespassers	74	77
Postal clerks, etc.	9	30
Other Totals	3,010	2,139