

**THE ROYAL COMMISSION ON INSURANCE.**

A FISHING EXPEDITION—PREJUDICIAL TO PUBLIC INTERESTS—COMMISSION SHOULD BE RE-ORGANIZED—DEFECTIVE INSURANCE LAWS—EVIDENCE SHOULD BE PUBLISHED EN BLOC. CAUTION TO POLICY-HOLDERS.

Those who have followed the investigation into the affairs of the life offices so far—from an impartial and intelligent standpoint—have been impressed with the injustice which is bound to be done to the companies.

It is a very serious matter to do anything which will tend to destroy or impair public confidence in our financial institutions, and certainly a more effective method of doing so would be difficult to devise than that which is being followed.

We quite appreciate that in response to appeals made by newspapers which sent out coupons and adopted other tactics, a large number of policy-holders may have been induced to sign these proxies asking for an investigation, and in view of what has taken place in the United States, we presume the Government felt it incumbent to do something in order to allay the excitement which had been created. The Government has, however, a very serious responsibility in this connection, and as already pointed out, it would be practically nothing less than criminal to impair or destroy the confidence in a business which is admittedly of the most vital importance to the well being of the people, and is a source of strength to the State.

The public is entitled to the fullest information concerning institutions in which their earnings are invested for such sacred uses as those of a life insurance company, which make provision for widows and orphans, or old age. This will be universally admitted. It is also universally recognized that it is the duty of the Government to afford every possible encouragement to the people to take advantage of the benefits of such institutions.

Try to realize for a moment what has taken place. A whole host of eminent Counsel, presided over by a Judge, have started out on what can only be termed a Fishing Expedition. There is no other proper name for it. Questions of all sorts are propounded, relevant and irrelevant to the main object of the investigation. In reply to these questions, information is given which necessarily does not, and cannot, state the whole bearings in connection with the matter. This is published broadcast by the public press, and harm is done before those interested have had an opportunity of explaining matters. Anything that happens to be revealed having even the semblance of reflecting upon some action of the companies is used in a most sensational manner. Now this is all wrong, and a crying injustice is bound to be the result, which it may take years to rectify.

In all earnestness we would commend to the consideration of the Government the extreme desirability of conducting this investigation in a manner that will be bound to result in eliciting all the information which can possibly be required which will be fair to the companies, and will not prejudice or injure the interests of the policy-holders, or obstruct the development of life insurance to the permanent injury of the whole community.

How can this be done?

Before answering this question, we take the liberty of pointing out that, if irregularities should be found to have occurred in respect to investments, or large expenditures, or otherwise, the fault to a large extent, if not entirely, lies at the door of the insurance laws of Canada, or to the lack of power given to those in charge of this special department. It would seem that the importance of the Insurance Department has never been fully realized by the Government, and when we say the Government, we do not mean the present Government any more than past Governments, but we do wish to point out that the present Government is responsible for its action now.

Coming back to the question propounded above, we would say in the first place: Do not follow the tactics adopted by the United States in this matter. Act in a judicial, impartial and dignified manner, without pandering to sensationalism.

A point we would suggest is, that the Commission be reorganized having as its presiding officer one fully acquainted with the subject in hand, who will be absolutely independent; a man of reputation in life insurance affairs, such, for instance, as a leading British actuary, and have associated with him a leading member, or members of the Bar; an accountant of the highest standing; one or more financial men, and such other assistance as may be deemed necessary.

Let the investigation be conducted by these gentlemen in a most thorough manner, but let none of the evidence be published until their report is presented to the Government authorities, together with such recommendations as they may deem desirable for improving insurance legislation, then let the result of the investigation be published as broadcast as may be desirable.

Manifestly this would be fair, and in the best interests of the policy-holders, companies, the public, and the whole country. A Fishing Expedition is most deplorable; anything which will prejudicially affect, or impair the usefulness of the financial institutions of the country should be avoided.

In the meantime we earnestly ask the policy-holders, particularly those who hold the smaller policies and can ill afford to take any risks, not on any consideration to be led by any sensational statements which may appear, to sacrifice their poli-