

Mr. BURNS: Yes, that is the case, and it may clarify the issue if the superintendent of insurance would give what the general provisions are in such war clauses.

Mr. BLACK: Two or three days ago I enquired of ten of the leading Canadian companies, and I found nine of them do include a war clause, one in all policies issued from ages 16 to 35, and eight of them include war clauses on policies issued to members of the forces, and in most cases to those who intend to enlist. In one case there is not a war clause included in any policy, but the policies are limited to an amount which normally would be applicable to a man's financial circumstances. The provisions of the war clauses generally limit the benefits returnable to the premiums with interest at 3 per cent, if death occurs as a result of war or service outside the home areas, which normally are defined as North America, including the adjacent islands, and within six months after returning from outside areas.

Mr. HARKNESS: Is there any time limit which the war clause covers? In some insurance policies there is a three year period but a man may enlist and serve for more than three years?

Mr. BLACK: Normally, the war clause covers the period of the war and several months afterwards. After the war terminates the company automatically releases the policy from the war clause.

Mr. QUELCH: Would it not be possible to make a soldier eligible for full payment if he paid increased payments?

Mr. BLACK: That apparently is not done by the companies. The rate was exorbitant and they sold very few policies with extra premiums.

Mr. BURNS: To answer Mr. Brooks. The point that was emphasized when this matter was being discussed, was that it was not the original intention of this insurance to provide protection for a man who was going off to war; it was for the veteran who came back.

Mr. QUELCH: This covers all other forms of risk?

Mr. BURNS: Yes, sir.

Mr. QUELCH: And actually more people die in road accidents than in wars.

The CHAIRMAN: More than in the last two wars.

Mr. GEORGE: If it is in order could we have Mr. Anderson's comments as to what has taken place?

The CHAIRMAN: It would be quite in order, but Mr. Anderson has put on the record a copy of their views on it.

Mr. PEARKES: May I ask one question? Surely this is much wider than the war clause—because this deals with death from anything which "arose out of or was directly connected with his service as a member of such forces." I take it that might be a man who was in the reserve force and who was on annual training when he met his death. Would that not be the case?

Mr. BURNS: It is certainly not the intention to cover that.

Mr. PEARKES: I do not know about the intention but there is nothing limiting this to forces which are at war. As far as I can see it does not even limit it to the regular forces, and I think it would not be very difficult to substantiate a case in the actual wording of this, for a man who was on annual training with the reserve and met his death on the rifle range—for instance, as the result of the explosion of a mortar bomb?

Mr. BURNS: Of course, the section gives the Governor in Council power to determine the terms of the war clause in the policy, and what would be put up would be in line with the type of restriction which was explained by the superintendent of insurance—the normal war clause in commercial use.

Mr. LENNARD: Does a normal war clause cover police action?