

INSURANCE IN WESTERN CANADA

Important Recommendations Will Be Made as a Result of Recent Conference

(Special correspondence to *The Monetary Times*.)

An important conference of the western superintendents of insurance was held the other day at Calgary, the four superintendents present being Col. A. F. Gunther, British Columbia; Messrs. A. E. Ham, Manitoba; R. L. Nicolson, Alberta; and Arthur E. Fisher, Saskatchewan.

The object of the meeting was to discuss insurance conditions as they exist in the four western provinces, and to consider what recommendations should be made to the respective governments in order to secure uniformity of laws and regulations as far as the general conduct of the business of insurance in the west is concerned. Matters of internal arrangements were discussed but attention was confined to general topics.

Meetings of the insurance superintendents will be held annually or at the call of the chairman in case of necessity. The next meeting place will be in Victoria in 1915.

At the morning sessions there were private conferences of the superintendents of insurance, but the afternoon sessions were opened to insurance men and representatives, who were asked to make recommendations and suggestions regarding the business of insurance which would tend to improve business as a whole basing their suggestions on actual experience in the field.

Regarding Deposits of Companies.

With regard to deposits, the conference will recommend to their governments that when a provincial company applies for license in its home province, it should be required to make an initial deposit of \$10,000 or \$20,000. If it desires to extend its business to another province it shall make an additional deposit of \$10,000, in its home province for each province in which it seeks a license. The superintendent of the home province shall certify that such deposit has been made with the Minister, and is held for the additional province in which the company desires to do business.

The legal reserve shall be calculated on the basis required under the present Dominion Insurance Act of 1910 and the company shall be required to keep at its head office securities such as are authorized under the Dominion trustee act for the full amount of such legal reserve which must be intact and available. This must be certified to annually by the superintendent of the home province.

Other recommendations in regard to life companies were:—

Licensing of Agents.

Fraternalists:—Recommended that fraternalists seeking admission must have rates conforming either with the Hunter tables or those of the National Fraternal Congress. This is not to be retroactive but has reference to societies entering the west in the future.

Licensing of Agents:—It was decided that this is a matter of internal jurisdiction although approved of by the superintendents present.

Beneficiary law:—This subject was discussed definite action being deferred.

Government report:—At the present time, all the provinces have a similar report which they require from provincial companies. It has been decided to adopt this for Dominion licensees which will be the same in the four provinces.

The recommendations regarding deposits of life companies was also made in the case of fire companies.

The principle of licensing fire agents was approved but was left to the discretion of every superintendent.

Fire Statutory Conditions.

In regard to statutory conditions in the matter of fire insurance, it was recommended that a standard fire policy for the four western provinces be adopted. A set of statutory conditions based on those of Ontario and the state of New York with such additions as conditions in the west require, were drafted and a recommendation made accordingly. Valuable suggestions from actual experience in western fire conditions were given by Messrs. Byers, Cornell and Doyle. The draft will be revised by the secretary of the conference and will be submitted to interested parties for criticism and

recommendation. The final revision will be made at a meeting of the superintendents which will be held in Regina about September 1.

It was decided to recommend a standard form of cancellation and proofs of loss as mentioned above, the same to be submitted for approval at the September meeting.

Hail and Mutuals.

The recommendations regarding deposits and the licensing of agents of life and fire companies also applied to hail insurance. It was recommended also that a standard form of hail insurance policy and conditions be drafted and submitted for consideration at the September meeting. This policy will be submitted to interested parties and suggestions and criticisms asked for before final adoption.

It was recommended too that copy of the hail insurance adjustment as made by the adjuster should be left with the assured. This will be adopted this year as a regulation.

The basis on which foreign mutuals will be allowed to do business in the different provinces was discussed.

Saskatchewan and Alberta will probably adopt certain special reports during the underwriting season. The final reports for all the provinces will be the same.

Representations were made to the association of the necessity of standardizing policy conditions, especially in the case of accidents and health. This does not in any way refer to policy benefits. The matter was left in abeyance. The above are recommendations which will be presented by the superintendents to their respective governments. A special meeting will be held in Regina in September at which these various matters will be more fully discussed and final recommendations will be drafted for presentation to the ministers.

Insurance Men Present.

Besides the superintendents of the western provinces, the following attended some of the sessions of the conference:

Messrs. W. V. Newson, deputy provincial treasurer, Alberta. Legal advisers.—R. W. Shannon, K.C., legal adviser to the executive council of Saskatchewan; G. P. O. Fenwick, solicitor to the attorney-general's department, Alberta. Mr. Twiss, Manufacturers Life, Winnipeg; Mr. Rowland, Federal Life, Winnipeg; Winnipeg Underwriters Association; Mr. Fred T. Byers, British America Assurance; Company Western Canada Fire Underwriters Association; Jos. Cornell, Central Canada Insurance Company, Brandon; E. E. Williams, Imperial Guarantee and Accident-Toronto; Mr. Doyle, Wawanesa, Man., represented Mutuals; Calgary Life Underwriters, represented by R. E. Darker; Mr. McQueen and Mr. Page; Calgary Fire Underwriters, represented by Dr. O'Sullivan; H. H. Motley and Mr. Allen. Hail insurance interests were represented by Messrs Keith, Irvine, Fraser and Walker of Calgary.

An association of western superintendents of insurance was formed and the officers for the ensuing year are:—Chairman, Ernest F. Gunther, Victoria; secretary, Arthur E. Fisher; chairman, executive committee, W. V. Newton, Edmonton.

NEW BOND OFFERING

One of the few bond offerings of this year is being made in the shape of \$500,000 6 per cent. first mortgage and collateral trust 30-year sinking fund gold bonds of the Pacific Coast Collieries, Limited. The bonds are offered at 98 and interest, carrying a bonus of 35 per cent. common stock. The company's capitalization is as follows: Authorized capital, \$5,000,000, divided into 15,000 6 per cent. non-cumulative participating preference shares of \$100 each, and 35,000 ordinary shares of \$100 each; and authorized bond issue, \$3,500,000; issued, \$1,600,000; held in escrow to retire \$1,143,000 bonds of Pacific Coast Coal Mines, Limited (the operating company) and for further requirements, \$1,900,000, \$3,500,000.

The directors of the company are: James Carruthers, president, Montreal; president, Canada Steamship Lines; director, Dominion Bank. Hon. Price Ellison, M.P.P., Victoria, B.C.; Minister of Finance of British Columbia. Sir Thomas Tait, Montreal; president, Minto Coal Company. C. P. Hill, Montreal; director, Hillcrest Collieries, Limited. Robert Bickerdike, M.P., vice-president, Montreal; director, Canada Life Assurance Company. A. H. B. MacGowan, M.P.P., Vancouver, B.C.; president, Vancouver Island Collieries. Edmund Bristol, K.C., M.P., Toronto; director, Canada Steamship Lines, R. T. Elliott, K.C., Victoria, B.C.