

MINUTES OF PROCEEDINGS

The following communications have been received in regard to various provisions of the Insurance Bill:—

NEW YORK LIFE INSURANCE COMPANY.

MONTREAL, April 22, 1909.

Mr. H. MILLER, M.P.,

Chairman of Banking and Commerce Committee,
Dominion Parliament Buildings,
Ottawa, Ont.

Re-Act respecting Insurance.

DEAR MR. MILLER:—On behalf of the New York Life Insurance Company I would like to make the following suggestions:—

Paragraph 4 of Section 20 provides that hereinafter the Minister will insist on the employment of Trust Companies to represent the foreign companies in place of individual Trustees.

The wording of this clause is ambiguous. It might be held in the case of the death or resignation of one of the Company's present Trustees, or the Company may be obliged to discontinue its present system and employ a Trust Company to represent it.

Section 31-33 requires an unnecessary amount of book-keeping for the purpose of making statements. We make an annual statement in great detail and our investments are closely supervised and scrutinized from day to day by the departments of the State. Therefore, foreign companies should be excepted from the provisions of these sections.

Section 32 requires a different form of Annual Report than the laws of the State of New York. Section 103 of the New York State laws requires very great detailed reports, and we think to comply with that law should satisfy the Canadian Government. To comply with other laws requiring details of business on other lines simply adds to the expense without adding to the value of the report. We feel that any Company organized under as strict laws as the State of New York should not be required to go to the expense of this extra work.

Section 36 requires the Companies to prepare a gain and loss exhibit of the Canadian business. We do not see how such an exhibit could be prepared. We make a gain and loss exhibit of our entire business as a whole.

Section 53, subsection 7, provides that subsection 3 shall be applicable to foreign countries. We have no objection to this limitation of expenses, but inasmuch as the expenses of the Company are limited by the laws of the State of New York, the clerical work required to make up an annual statement conforming to the laws of both countries which is on a little different basis seems to be an unnecessary duplication of work and involves an unnecessary amount of expense. We would suggest the adding of the following words to the end of this subsection: 'Unless the State in which the Company is organized shall subscribe a limitation of the expenses which is at least as economical as the expense limitation herein provided for.'

Section 59.—We feel that the passage of this Act would unnecessarily limit our investments. I think you will find that the Canadian securities have appeared fairly well to the New York Life and without figuring it, I think our investments in Canada to-day, would far exceed this Act, but as a large company we are forced to buy a great many of our securities in large amounts, and if this law were in force, and we were desirous of selling for a good reason one item of our Canadian investments, it would be so large as to drop far below the requirements of this Act, and it might be some time