

HURRIED INSURANCE LEGISLATION.

To a remarkable extent insurance, more than any other business, suffers from hurried and immature legislation. There is something about the business that makes it particularly attractive to the legislator with a penchant for posing as the friend of the people, and as the average politician knows as little or something less about the insurance business as he knows about anything else, it is comparatively an easy matter to stampede a majority into passing some crude or foolish act whose only merit is that it deals the "insurance interests"—whoever or whatever they may be—a nasty blow, and accordingly furnishes a good cry with which to bewilder a not too clear-headed electorate. The rise of social legislation of the workmen's compensation type has furnished the politician with new and valuable weapons for use in this service. Last year, Canadian insurance men had an experience of this kind of thing in the case of the Ontario Workmen's Compensation Act, which a bold Government in a hurry jammed through a tame legislature, the great majority of whose members knew no more about workmen's compensation than they do about aviation. The result is a measure which even those who are friendly to it declare to be unworkable in many ways. However, the result has been achieved of giving the insurance companies a knock by simply wiping out their Ontario business in workmen's compensation insurance for which they had built up an extensive and expensive organisation, and were fully competent to carry on, and the Ontario Government and its supporters are able to pose as the glorious benefactors of the dear people. When results of that kind are achieved, what does it matter if the Act is unworkable, and has afterwards to be radically amended. Amendment merely gives another opportunity to the politicians for self-glorification.

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It is perhaps consoling that this tendency to hurried insurance legislation is not confined to Canada. The National Insurance Act of Great Britain is a classic instance of a crude measure being shoved through Parliament; the politicians taking no small credit to themselves for thus shoving it through, and kindly leaving it to other people, laboring in hum-drum obscurity, to work out the details and make the thing go in some way or other. The same kind of thing is now in process in the State of New York. A few months ago there was passed in that State a Workmen's Compensation Act, which was alleged to be something wonderful in the way of heaven-born legislation. But already complaint is made that it will be necessary to pass a new measure, because of the doubt as to a vast number of employees in specific lines of trade being included in this or that group set forth in the law, or whether certain employees who have been injured in the course of employment are included in any portion of the act. This has led to much con-

fusion in the work of administering the law and rendering awards under its provisions, the ambiguous wording of the groups proving to be a continual stumbling block.

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In this kind of fashion the business of insurance is being constantly muddled by hasty and foolish legislation. Fire insurance and life insurance are beset equally with casualty insurance. There is no idea so cranky or charge against the insurance companies so preposterous that legislators cannot be got to forward. The idea is constantly put forward that the insurance companies are in some mysterious way the enemies of the people, though in sober truth, collectively they do each year infinitely more for the general welfare of the community than the whole collection of rank and file politicians with which we are beset. There is only one way in which the pernicious activities of politicians in insurance matters can be combatted—by the persistent and patient education of the policyholders. It will be a long job to achieve any notable results, but the labour involved will be well expended. For policyholders have votes; and the politician will always listen to the argument of votes though he be deaf to any other.

WHO'S TO BLAME?

Apparently the failure of the Dominion Trust Company cannot be blamed on any shortcomings in the new British Columbia legislation governing the actions of trust companies, which was passed a few months ago. That legislation which was widely hailed as a praiseworthy and successful attempt to cope with the evils of wild catting finance figuring under the guise of trust companies, merely came too late. The harm had apparently been already done in the case of the Dominion Trust Company, and the Company was never even registered under the new Act.

The thorough and impartial investigation into the reasons why for the Company's failure that is promised, will, it is to be hoped, ascertain and state definitely who's to blame for it. The shareholders who apparently stand in the position of being heavy losers as a result of the insolvency, are at least entitled to the satisfaction of knowing how and by whom their money has been wasted. Pending the results of this investigation, it will be wise to suspend judgment. The tendency which has already found utterance in some quarters to blame everything on to the late managing director does not redound to the credit of those who support it. He may or may not be to blame; until affairs have been thoroughly straightened out it is impossible to found any definite opinion on this point. Meantime any amount of talk of this kind will not in the mind of the average man shift from the shoulders of the men who lent their names to the concern and who took responsibilities for its good government by becoming directors the necessity of proving that they have not been themselves to blame.