

PUBLISHED EVERY FRIDAY
BY

The Monetary Times
Printing Company
of Canada, Limited

Publishers also of
"The Canadian Engineer"

Monetary Times

Trade Review and Insurance Chronicle
of Canada

Established 1867

Old as Confederation

JAS. J. SALMOND
President and General Manager

FRED. W. FIELD
Editor

A. E. JENNINGS
Assistant General Manager

Insurance Superintendents Discuss Problems

NOTABLE *Gathering of Government Officials—Important Draft Bill Submitted by Sir James Aikins to Provide for Uniformity in Canadian Business Legislation—Some Instructive Addresses.*

THE conference of provincial insurance superintendents at Winnipeg last week was one of the important insurance events of the year. Several valuable papers were read by the superintendents and others and Sir James Aikins, lieutenant-governor of Manitoba, presented a draft bill to provide for the appointment of Commissioners for the promotion of uniformity of legislation (not only respecting insurance, but business generally) in Canada. This being a conference of the provincial insurance superintendents, the Dominion department of insurance was not represented. The meeting dealt largely with provincial matters, sometimes raising the vexed question of provincial as opposed to Dominion rights. One speaker, for instance, stated his opinion that uniformity with regard to the legislation respecting preferred beneficiaries could be best secured by having the subject dealt with in the Dominion insurance act. Another speaker discussed provincial rights and Dominion laws.

Mr. H. G. Garrett, insurance superintendent of British Columbia, acted as chairman of the conference, the holding of which was due largely to the efforts of Mr. A. E. Ham and Mr. A. E. Fisher, superintendents of Manitoba and Saskatchewan, respectively. Sir James Aikins welcomed the delegates as also did Mayor Davidson of Winnipeg, who referred to the importance of the duties of insurance companies and agents, and stated that it was the duty and privilege of everyone to carry life insurance.

Hon. Edward Brown, provincial treasurer of Manitoba, expressed the sympathetic attitude of his government towards improvement of insurance methods in the public interest and towards greater uniformity of legislation throughout Canada. "The provinces and the Dominion should get together," he said. His government, said Mr. Brown, had agreed at the instance of the Bar Association of Canada to appoint a Commission for the purpose of seeing how best to proceed. He paid a tribute to Mr. Ham, Manitoba insurance superintendent, referring to his "great wealth of experience." He added that Mr. Ham had "the entire confidence of the administration."

At the conference, it was decided to form a national body to be known as the Association of Provincial Superintendents of Insurance of the Dominion of Canada. Mr. A. E. Ham, the Manitoba superintendent, was elected the first president; Mr. Vale, deputy superintendent of Ontario, vice-president; and Mr. A. E. Fisher, Saskatchewan superintendent, secretary. These officers, together with Mr. H. G. Garrett, British Columbia, and Mr. Nicolson, Alberta, will constitute the legislative committee of the

new Association. The next conference of the provincial insurance superintendents will be held in Montreal, probably in 1918.

The results of the conference will be watched with interest by the Dominion insurance department at Ottawa and by the insurance companies. It is to be hoped that the provincial and Dominion insurance departments will be able to agree on a policy which will remove, rather than accentuate, the differences and difficulties in our insurance legislation. To encourage the business of insurance, uniformity and simplicity of legislation is necessary, and co-operation between the Dominion and provincial insurance departments. A summary of the principal addresses of the convention is printed on the following pages.

PREFERRED BENEFICIARIES LEGISLATION

Uniformity Could Best Be Secured in Dominion Insurance Act

"Legislation in connection with preferred beneficiaries," said Mr. C. C. Ferguson, manager and actuary of the Great-West Life Assurance Company at the insurance superintendents' conference at Winnipeg last week, "now exists in all the provinces. The general principle involved is that when a policy is issued or is declared to be in favor of a preferred beneficiary, a trust is thereby created and the ownership or control of the policy no longer exists solely in the assured. In other words the beneficiary becomes part-owner of the policy. A similar situation results when a house or other property is registered jointly in two names. There is this difference, however, that a man usually knows what he is doing when he puts his property in his wife's name. But when he names his wife as beneficiary in his policy, he does not always know that he is creating an irrevocable trust in her favor. There is no great difficulty in this, since where man and wife are living amicably together, as they ought to do, they can jointly deal with the policy as freely as the assured could in the case of a policy issued in favor of his estate. But trouble sometimes arises where family feuds arise or where the beneficiary is an infant since under those circumstances it occasionally proves impossible to obtain a loan or cash surrender value and the assured of course blames the insurance company for this impasse on the ground that he should have been warned against having his policy issued in that, to him, absurd way.

"In the United States they do not have this legislation in favor of preferred beneficiaries, but the assured is asked to elect in his application whether or not he shall have the right to change the beneficiary. If he does not reserve the right to change, a trust is practically created, but if he