selling their own stock rather than to the transaction of any insurance business. The well-intentioned paternalism of the commissioner is evident in the following announcement made through the press:

"I have determined to obtain as definite information as possible exactly as to what is being done by all the companies along this line. In the meantime I make the suggestion that if any citizen who is approached by agents for the purpose of selling the stocks of any insurance company will write this department, stating the name of the company and the proposition made, I will take pleasure in seeing that he is as definitely and reliably informed as possible as to the prospect of the investment he is being solicited to make."

A new role for an insurance department—that of acting as confidential adviser on stock-buying!

Such extension of the duties of the Dominion Superentendent of insurance is scarcely to be desired. But a course of study in the department's annual reports would not come amiss to intending purchasers of projected life companies' stocks. It will, perhaps, tend to offset any excessive optimism that might be engendered by a prospectus such as the one which lately had for its text: "Life insurance companies' shares are among the greatest dividend-payers of any financial corporations." There is manifest unfairness in bolstering this statement by referring only to the dividends of old companies.

As the Economist, of Toronto, lately remarked in this connection, it will surprise some people to learn that, of the twenty-one Canadian life companies having capital stock, no less than eight paid no dividend to shareholders last year, although the average age of the group was seven years. And it is within the mark to affirm that most of these offices started under much more favourable auspices, and in better locations, than some of the concerns now seeking organization. As our Toronto contemporary justly adds, it is not that capable management has been absent from younger Canadian companies, but in the face of present day conditions and the strenuous competition which is met everywhere, the invested capital has as yet had to forego any reward for service rendered the public during many years.

STANDARD PROVISIONS IN POLICY CONTRACTS

When the Royal Insurance Commission made its report to the Dominion Parliament, it recommended that the use of standard policy forms be compulsory for all life companies. In the Insurance Bill which the Senate will pass upon next session, no such extreme is to be found; instead, it provides merely that each policy form issued shall be filed with the superintendent of insurance, and shall be required to "contain in substance" certain underlying provisions. These regulations are not such as to hamper initiative and progress in the securing of advantages to policyholders. On the other hand, the New York restrictions in this particular were found objectionable and, in the interests of policyholders as well as of companies, were soon modified considerably by the authorities in that state.

The accident underwriters of the United States, while in convention at Niagara Falls last week, discussed the pros and cons of standard policy forms and uniform policy provisions at considerable length. The ball was set a-rolling by the general report of the executive committee of the International Association of Accident Underwriters, which during 1908 submitted a draft bill for consideration by the committee on laws and legislation appointed by the National Convention of Insurance Commissioners, with a view to its adoption if possible by all states. The measure thus proposed by the underwriters' committee had as its aim the securing of practically uniform policy forms throughout the United States. In opposing the system of rigid standard provisions favoured by the insurance commissioners, there was taken into account one of the many difficulties arising from separate state authorities. The committee reported that it had observed in those states where the life insurance laws recommended by the Insurance Commissioners' Committee of Fifteen had been adopted, that the commissioners had disagreed with each other in their rulings upon the forms submitted by the companies. In one case a commissioner approved as in exact compliance with the law what another commissioner as directly disapproved. In the light of this the underwriters naturally opposed state legislation whereby arbitrary disapproval of policy forms is possible by this commissioner or that. What the executive committee favoured was the making of certain statutory requirements and prohibitions by law a part of every contract of accident and health insurance, thus compelling every company to draft its policies in accordance with the law—but doing away "with the unpracticable and dangerous requirement that the insurance commissioners shall supervise the preparation of policy contracts."

Following the report made to the convention on this matter came a presentation of the case for standard provisions, made by Mr. J. A. Hartigan.

Mr. Hartigan believes there is much to be said in favour of standard provisions, both from the standpoint of company and policyholder. In the public mind the injustice of one company is charged up against all companies, and the business as a whole. It is, therefore, of vital interest to every company doing a legitimate business that every other company do business on a proper basis. This, according to Mr. Hartigan, can be accomplished only by legislation. In no other way, he thinks, can fraudulent concerns be prevented from trading on the good reputation of responsible companies.

His case for the absolute necessity of state interference was hardly strengthened by his saying that for many years the fire insurance companies have issued standard policies in states where the law does not demand it, and this for their own protection, because, from the continued use by all companies of the same phraseology, its meaning has become definite by judicial construction, so that the public is better able to ascertain the extent of the protection purchased, and the underwriters the extent of the risk assumed.

Mr. Edson S. Lott was an outspoken critic of some of Mr. Hartigan's contentions. He disagreed with the commissioner that fraudulent concerns could be prevented by legislation from trading on the good reputation of responsible companies. Many wise men believe that those people are the best