

There are doubtless a number of cases in which larger earnings could quite properly have been shown had it thought well to do so. The best and most conservative managements make very liberal provision for bad and doubtful debts, and for contingencies. They also judge or value their assets by a more rigid and drastic method. Over-provision for bad debts, or for expected losses, of course makes its mark upon current profits.

On the other hand, quite likely some profits have been over-stated through the managements not making sufficient provision for contingencies, etc.

The discriminating between the different statements, and the apportioning of the measure of credence which is to be accorded to each one, is something that investors themselves have got to do. It is not so difficult a task as it sometimes appears to be.

SUPERVISION OF DOMINION AND PROVINCIAL INSURANCE COMPANIES.

Canada, happily, is spared much of the over-supervision and over-legislation under which the business of insurance labours in the republic adjoining. There, what in one state is a duty, is sometimes branded in another as little short of a crime. The serving of from two to nearly fifty masters is the difficult problem that, year in and year out, confronts the management of any company doing business outside of its home state. Little wonder, therefore, that there is a growing disposition to urge federal in place of state supervision and control.

Over-supervision by provincial authority has not thus far given rise to general complaint in Canada—apart from over-taxation. Provincial legislation in general is less rather than more stringent than that of the Dominion—markedly so in some instances. Whence have come about conditions that bear unfairly upon many of the strongest and most progressive companies doing business throughout the country as a whole. Such are subjected to unfair competition in provinces that grant licenses upon conditions considerably less onerous—as to deposits, resources and supervision—than are entailed by the taking out of a Dominion license. Recent developments in Saskatchewan make it plain that the insuring public, as well as conservatively managed insurance companies, suffer hardship as the result of lax regulation. It is not surprising that strong demands have been made for a revision of such provincial legislation as made possible the carrying on of business by so precariously organized a concern as The Globe Fire Assurance Company.

It is not only in the province of its incorporation that such a concern, during its short or longer career, becomes an active competitor of companies complying fully with Dominion regulations as to

deposits, resources and supervision. True, a strict interpretation of the Dominion Insurance Act limits the activity of a provincially chartered company solely to its province of origin. But this provision is being evaded to a very considerable extent. Western provinces, in several instances, have openly granted their licenses to extra-territorial companies that do not possess a federal license. The taxes received are evidently balm enough to allay any qualms of the "official conscience" as to constitutional wrong-doing.

Looking the broad field over, it would appear as though the prejudicial influences of divergent insurance regulation and supervision in Canada are increasing. Public welfare, as well as fairness to all carefully conducted native and foreign companies doing business under the Dominion Act, demands the most careful consideration of this whole matter. Greater uniformity must somehow be secured, if public and business interests are to be conserved. Otherwise, conditions may tend more and more towards what President Kingsley, of the New York Life, characterizes as the "inevitable chaos" which, in the United States, has followed upon the attempt to supervise the business of insurance by forty-six different authorities. If, as Mr. Kingsley contends, "a way out" can be evolved without tampering with that inspired document the United States Constitution, or infringing upon state rights, Canada's lesser task is surely not a hopeless one. Certainly it would seem in the best interests of the public, as well as of the companies, that there should be, so far as possible, only one system of granting insurance charters and licenses in Canada.

THE SUN LIFE OF CANADA.

Even months of general business uncertainty failed to check the marked growth that has characterized the Sun Life of Canada during recent years. During 1908, assurances issued and paid for in cash totalled \$19,783,671—giving an increase of \$1,903,878 over the 1907 showing. Assurances in force totalled \$119,517,740, at December 31, last, as compared with \$111,135,694 at the close of 1907.

The annual report, appearing elsewhere in this issue, shows that the company's cash income from premiums, interest, rents, etc., amounted to \$6,949,602—giving an advance of \$700,314 upon 1907. Assets by the close of the year had increased by practically \$2,750,000 over the 1907 total—the year-end aggregate being almost \$29,250,000. Surplus over all liabilities and capital (the H. m. table with 3 1-2 and 3 per cent. interest being basis for policy reserves) amounted to \$2,596,304; there was in this a gain of \$549,420 for the year, after distributing \$361,471 of surplus to policyholders. Total payments to policyholders during 1908 amounted to