## INSURANCE BILL IN COMMITTEE.

### Senators Pass upon Contentious Clauses in Fire Section—Gain and Loss Exhibit not Required of Life Companies.

The Senate's Banking Committee has completed its consideration of the contentious clauses in the fire insurance section of the new Insurance Bill. But the end is not yet. And the probability is that when the measure goes back again to the Commons there will be further spirited discussion. Clause 139, providing that a business firm may by paying 15 per cent. tax on premiums go outside of Canada for insurance was finally thrown out. The general stand of the committee was summed up by the answers given to a series of questions formulated by Senator Dandurand, as follows:

#### Unlicensed Companies not to Solicit.

The first was, shall citizens and firms of Canada be allowed to freely insure in unlicensed foreign companies? This question was answered in the affirmative unanimously by the committee.

The next question was, shall all unlicensed fire insurance companies be prohibited from having representatives in Canada for the purpose of soliciting insurance in Canada directly or indirectly? The committee gave a unanimous affirmative answer to this.

#### No Tax on Outside Insurance.

The next question was, shall the persons or firms who go out of Canada be taxed to a certain extent to help maintain the Insurance Department?

Mr. Fitzgerald, superintendent of Insurance, wanted this. However, the committee, by a very large majority decided that there should be no tax for going outside for insurance.

The fourth question was, shall the insured who goes outside of Canada be compelled to send annual returns as to the amount of insurance placed? This was answered in the affirmative by a large majority.

Senator Cox then asked the committee to say whether the return should also show the amount of premiums paid for outside insurance. This was declared against.

#### Inland Marine Exempted.

Senator Beique said that a strong case had been made to exempt inland marine insurance from the operations of the act and he offered a motion to that effect. This was carried.

A sub-committee, consisting of Senators Forget, Cox, Beique, Ward, G. W. Ross and Thompson was appointed to draft substitutes for clauses 70 and 139 of the Insurance Bill, so as to give effect to the decision of the Banking Committee as to insurance obtained by Canadians from unlicensed fire companies.

#### Gain and Loss Exhibit Dropped.

At Tuesday's consideration of the life sections of the bill, the committee decided to drop section 36, which required an annual statement of the gain and loss exhibit from each company to be made to the superintendent of insurance and published by him in his report. By those opposed to the clause it was pointed out that the exhibit if published would generally be misleading and would lead to unfair criticism of young companies in particular.

An amendment to section 45 was submitted authorizing the Superintendent of Insurance to call for a gain and loss exhibit in the case of any company he wished, and authority to publish it when he deemed advisable.

#### Protest from British Companies.

A memorial was presented by Messrs. B. Hal Brown and D. M. McGoun, asking that the British Companies be exempt from the gain and loss exhibit, but offering instead to make the same returns of general business to the Canadian Insurance Department that they make to the British Government. As to the suggested amendment authorizing the superintendent of insurance to call for gain and loss exhibit from any company, Mr. B. Hal Brown said that this would be objected to by the British companies.

Senator Lougheed thought too, that as the business of the British companies was backed by deposit of securities they should be exempt from being called upon for that sort of a return. The Senator further said that in his opinion section 45 was broad and gave the Superintendent of Insurance great inquisitorial powers. To put in the words authorizing him to call for a statement of annual gains and losses would be to limit the powers of the Superintendent of Insurance and at the same time needlessly aggravate British companies. On motion of Senator Lougheed, therefore, the words were dropped from section 45.

The latter portion of section 53, which would have prohibited a company offering bonuses or special remuneration to agents was struck out. It was with good reason opposed by some of the companies. In particular, it was pointed out that they found it to their advantage to offer inducements to cashiers and collectors to make special efforts to induce policyholders to keep their premiums up and prevent lapses.

#### Life Company Representatives.

Among those at this week's sittings of the committee were Messrs. D. M. McGoun of the Standard Life and B. Hal Brown of the London & Lancashire Life, representing the British companies, Mr. J. K. Macdonald, president, with Messrs. T. Bradshaw, T. B. Macaulay and Weston, of the Canadian Life Officers' Association; and Mr. J. Cavanagh, of the Metropolitan Life, who appeared for the American companies. Among the members of the committee who showed a particularly clear grasp of the principles under discussion was Senator Lougheed, some of whose remarks are quoted above.

THE SUICIDE HAZARD assumes increasing importance in the business of life insurance. In the Ontario legislature, Hon. J. J. Foy is introducing a bill to amend the provincial law regarding life insurance, so as to make clear that where a policy is "incontestable and indisputable" suicide shall not constitute a reason for disputing the claim.

THE NATIONAL CITY BANK, of Cambridge, Mass., had its doors locked on Wednesday afternoon by a government bank examiner, the bookkeeper having absconded with $144,000.