be equitable to take a certain sum every five years for each group of policies, then entitled to profits, and repeat this arbitrary plan next year for those then entitled to profits. It will be seen at a glance this section means annual allotment of profits, and this is not a good plan as it is very expensive, and might be impossible for young companies.

96. This strikes me as a most remarkable section. The words at line 15, 'Nor shall any policy of life insurance, except policies of industrial insurance under which the premiums are payable monthly or oftener, be so issued or delivered by any such company unless it contain in substance the following provisions.' Then come a long list of subsections which must go into the policy. Just imagine subsection (c) being printed in a policy.

Subsection (H) of this section will not work in practice. The limit of 6 per cent is therein laid down. Companies easily, in the west, secure 7, 8 and 9 per cent on mortgages. They will be unwilling to be compelled to take 6 per cent and may then say if they do not wish to loan on a policy, that they cannot do it for three months. This would be of no use to a small borrower who needs the money at once. It is, on the other hand, absolutely necessary that companies should have the time option provided here. In 1907, when money was very hard to secure, there was a run on some companies. A life company might be made insolvent if it had no legal protection, but the rate of interest should not be mentioned for the reason just given.

99. This section completely demoralizes life insurance in this country.

(1) In the first place it will make it impossible to organize new companies as capitalists will not put their money into a company under such conditions regarding policyholders' directors.

(2) It will open the way to foreign companies not burdened with these conditions of policyholders' directors.

(3) If a company elects a troublesome director it will be cursed with him in the board for four years. As things are now, a company can elect useful men again and drop useless men in a year; but by the proposed Bill an obstructionist is on for four years. Suppose a manager is a director and the board discontinues his services as manager, he may be on the board for some years to cause endless trouble. The four year system will lead to many complications and in some instances to positive disaster; further, the Bill need not go into the details of such company routine.

(4) The proportion of policyholders' directors is too large. One in each 5 would be ample.

(5) It is not necessary to fix the number at 16. This should be left to the company to determine so long as the Act said 5, 10 or 15. These figures are merely given as examples of how there might be some latitude allowed.

(6) There is no possibility of the routine of the company being done by a committee. There must be board meetings and a quorum. This will mean frequent and large meetings and be quite ruinous to the company and do harm to both policyholders and shareholders. While the object of the Bill is to curtail expenses, this feature of the Bill would greatly increase them, and delay business.

(7) No paid officer may be a director. This cuts out the president if he receives any remuneration and the medical director, if these are regarded as officers. (*See also* 149 F). These are two of the most necessary to have on the board. There is no need for all this restriction. These officers have never been known to use their influence for a selfish purpose nor for graft. If they did the company can easily drop them. I think it is very poor policy to try to regulate every detail of internal economy. It will cause much friction.

(8) Such regulations will make companies register under the laws of the provinces, and comply with the requirements of the other provinces as they have to do now anyway to do business in any province other than the one where their head offices are located. The Chinese foot does not grow because of the tight boot. The rigid Armstrong law has been found to do far more harm than good. Subsection 3 of sec-