

panies are no longer allowed to issue illustrations or estimates, it is simply left to the imagination of the agent as to what answer the public will get to the question which is sure to be asked.

Mr. HARRIS.—I think that is what is intended by the Bill. Did you not wish, Mr. Fitzgerald, to eliminate these estimates which are issued by the companies?

Hon. Mr. FIELDING.—Sure, yes. Estimates are sometimes mistaken by the policyholders for a promise to pay and when it is not realized the policyholder complains that he has been deceived.

Mr. WESTON.—I think he will complain more bitterly if he has to depend upon the statement of the perhaps uninformed man who is selling him insurance.

The CHAIRMAN.—I was going to suggest a clause that might meet the difficulty. I remember one particular case where an agent, I am sure not with the consent or knowledge of his company, secured a considerable amount of life insurance. I will not say whether it was due to misrepresentation or failure to understand on the part of the insured, but he received a number of applications for twenty year deferred dividend policies, where the parties making the application believed they were getting twenty year endowments, and there were a number of other cases which were for twenty year endowment when the people thought they were getting twenty year life policies instead of endowment. I have thought that if on every application for insurance that is not an application for an endowment policy, the words should appear in large coloured letters above the applicant's signature 'This is not an application for an endowment policy'—I would like to ask whether in your opinion the practice to which I have alluded is sufficiently general to make it worth while inserting such a proviso.

Mr. WESTON.—If it is possible to eliminate that practice which has occurred sometimes in the history of the business, I believe that, if there are only a few cases and if that will accomplish what you desire, it should be done.

The CHAIRMAN.—Do you think that would be of any value, or that it would accomplish the object?

Mr. WESTON.—I think it would perhaps. Of course, technically it might be a little incorrect, but I think in the practice it might accomplish what you desire.

The CHAIRMAN.—How could it be incorrect?

Mr. WESTON.—That is merely an actuarial question.

The CHAIRMAN.—Well, the policy itself will show. It is either an endowment policy or it is not, I should think?

Mr. WESTON.—I think we will admit that for practical purposes, and therefore, your suggestion might be a safeguard against that practice.

Mr. B. HAL. BROWN.—If I might just say a word—every policy, excepting a term policy, has the endowment element in it technically, in the ordinary whole life policy there is the insurance and an amount of reserve, which at the end of a number of years will be returned in cash to the policyholder, and that proportion of the premium constitutes the endowment element.

The CHAIRMAN.—That is true, the endowment element may be in many, many policies, but those policies are not what the general public understand as endowment policies?

Mr. BROWN.—No, they are not.

The CHAIRMAN.—What do you think as to the value of the suggestion I make, as to the necessity for it; or would it lead to any wrong?

Mr. BROWN.—I do not consider it would lead to any hardship or wrong, and on the other hand it might do a great deal of good. But, as Mr. Weston has pointed out, the question is if it can be used and considered technically correct; I do not think it can be used that way.

The CHAIRMAN.—Would it be practically correct?

Mr. BROWN.—As the term 'endowment policy' is understood, it would be, yes.

Mr. WESTON.—There is one other thing, there is a policy called 'semi-endow-