

Mr. BLACK: I cannot tell you exactly. I can tell you the amount in the fund, but the actuarial reserve required is information which is calculated and retained by the Department of Insurance.

Mr. BROOKS: But the fund is sound?

Mr. BLACK: The fund is sound, as far as I know, yes.

Mr. HERRIDGE: You mention restrictions under section 10. What are they?

Mr. BLACK: With respect to the restrictions under section 10, if a pension, under the Pension Act becomes payable on the death of the insured, we do not pay the policy in full if death occurred during the premium term; for example, if it was a 20 payment life policy, and the death occurred during the 20 years.

Mr. HERRIDGE: That would be certain protection.

Mr. BLACK: Yes. Protection is created there, and would apply in nearly every case, because many policies are taken out for the benefit of those who would be getting pensions.

Mr. QUELCH: This section does not affect any insurance taken out prior to the passage of this section.

The CHAIRMAN: That is correct.

Mr. QUELCH: There is a lot to be said about that.

The CHAIRMAN: I do not like pioneering the idea that through a government agency a man can take advantage of an Act which is intended for something else, and secure up to \$10,000 of insurance without any war clause. You can see what it would do to rehabilitation benefits. Some one will say: "Here is a family which can get \$10,000."

Mr. QUELCH: Would it not be possible to make those who take out insurance from now on pay an extra premium for war risk?

The CHAIRMAN: The other companies have found it to be administratively impractical. They did it in World War I, but most of them—almost every company—has abandoned it.

Mr. QUELCH: In the first war when we were enlisting, a large group of insurance company representatives came around to us and insured the soldiers in the barracks at what I considered to be at the time a very low rate.

Mr. HERRIDGE: Mr. Chairman, I move that section 6 of the bill stand and that the officials make a report as to what insurance could be given by virtue of an extra premium.

The CHAIRMAN: Well!

Mr. BURNS: That would require another amendment to the Act.

Mr. DICKEY: That would involve new policy.

Mr. QUELCH: Yes, that would involve a new policy, but as the chairman has said, we have not had two wars coming so close together before. We have a new situation and we should meet that situation.

Mr. JUTRAS: Mr. Chairman, has the department considered putting on a ceiling, such as the commercial companies do?

Mr. QUELCH: Mr. Chairman, I second Mr. Herridge's motion.

The CHAIRMAN: The motion as moved and seconded is not acceptable. It would mean another amendment. There is no objection to the clause standing, and then the department might make some study of the matter and indicate to us the information desired.

Mr. GOODE: It is quite clear, Mr. Chairman, that the committee is not satisfied at the moment. So I suggest that we let the motion stand.