

DOMINION SUPERVISION OF AGENTS PROPOSED

Amendment Prepared Providing for Inspection of Each Agent's Business—Underwriters' Associations Oppose Dual Control and Prefer Provincial Jurisdiction, but Want No More Blanket Licenses

LAXITY in supervision of insurance agents has been one cause of the excessive fire loss in Canada, and rebating and other evils in connection with all lines has not been entirely eliminated. With a view to bringing about a better condition, the Department of Insurance, Ottawa, has prepared an amendment to the Insurance Act, 1917, aiming at the inspection of each agent's business. The views of the companies and of the agents are being secured before the amendment is introduced into parliament. As now drafted it is in the form of an addition to section 78, and reads as follows:—

Company Must See Agent Has License

"78A. (1) It shall be a condition of the license issued to any company under this Act, whether such condition be expressed in the license or not, and for the breach of which the said license may be cancelled, that no compensation or remuneration by way of commission shall be paid to any person, partnership, association or corporation, for soliciting for, or obtaining applications or proposals for, insurance, or for collecting premiums from policyholders, unless such person, partnership, association or corporation shall have obtained from the superintendent a license to act as an agent of the company or as a broker.

"(2) Before any such license is issued the applicant therefor shall file an application on a form to be supplied by the superintendent and shall furnish such information as the superintendent deems necessary to satisfy him that the applicant is competent to discharge the duties of an agent of the company or of a broker as the case may be.

"(3) Every agent and broker to whom a license is issued under this section shall keep a record of the insurance business transacted by him under such license, in such form and with such detail as the superintendent may require and such record shall be open to the inspection of the superintendent.

"(4) Every such agent or broker shall when requested by the superintendent file with the superintendent a statement in such form and with such detail as the superintendent may require.

"(5) The license of every such agent or broker shall expire on the thirty-first day of March in each year and shall, subject to the provisions of this section, be renewable from year to year.

Agent May Appeal from Cancellation

"(6) The superintendent may cancel the license of any agent or broker licensed under this section for violation of any provision of this Act, or if it is established to the satisfaction of the superintendent that he has been guilty of misrepresentation or of fraudulent practices or if in the opinion of the superintendent he has become incompetent or incapable of acting as agent or broker, but no such cancellation shall become effective until a hearing has been given to the agent or broker whose license is proposed to be cancelled.

"(7) Any agent or broker whose license has been cancelled by the superintendent, shall have the right of appeal to the Treasury Board by giving notice of his intention to so appeal within ten days of his receiving notice of the cancellation of his license, and, pending the decision of the Treasury Board, the cancellation of the license shall have no effect."

Agents Object to Proposal

This proposal is being objected to by the agents through the Life Underwriters' Association. The local associations at Vancouver, Regina, Brandon, Toronto, Ottawa, Quebec and St. John, and in other places as well, have passed resolutions against it. The amendment requires every agent doing business for a Dominion company to secure a Dominion license, and, while no fee is attached, it would mean that

they would be under the control of the Dominion as well as of the provincial governments. To this they strongly object. They are, however, quite willing to have separate licenses for life, fire and casualty insurance, in place of the present blanket licenses covering all three, and the Toronto association, at a meeting held on April 15th, passed a resolution unanimously supporting this suggestion.

INSURANCE MEN WILL OPPOSE STATE INSURANCE

State Fire Insurance Not to be Introduced This Session in B.C., but Legislation May be Passed on Health Insurance and Mothers' Pensions—Automobile Rating Due for Change

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INSURANCE men in Victoria took advantage of the big Rotary Club convention to arrange for a round table talk on state insurance by all the insurance men present. G. I. Warren, convener of the meeting, reports that a resolution was passed that each insurance man present, on his return to his own city, in the United States or Canada, urge the insurance association of the district, to organize a sound opposition against the introduction of state insurance in any form, particularly state health insurance. It was also informally decided that the best cure for the effects arising from state health insurance propaganda, was the system of group insurance.

Amend Fire Insurance Act

Mr. Bell, member of the provincial legislature, of state fire insurance fame, is down on the provincial legislature agenda as asking permission to introduce an amendment to the Fire Insurance Act. At this writing it is not definitely known what shape this amendment is to take, but it is believed it has to do with matters of detail regarding the conduct of fire insurance companies, arising out of long-term insurance, and other matters. As far as can be learned, state fire insurance is not to be introduced this session.

It has been definitely announced by several members of the legislature that state health insurance is to be introduced at this session. It is announced, however, that the movement for the inauguration of mothers' pensions in this province will shortly crystallize into definite legislative proposals. In fact, the passing of this measure seems to be already assured. It was one of the questions which was practically unopposed during the session of the state health insurance commission. The life insurance interests did not appear to concern themselves in the matter, although it would appear on the surface that a certain class of men, earning small incomes, would be tempted to allow the government to provide for their widow in case of their decease, rather than pay an annual premium for an insurance policy during their life. The bill will provide that adequate means of support will be allowed to widows to enable them to bring up their families themselves instead of being compelled to place their children in charge of institutions. The same consideration will be given to mothers who are not wives, who for any reason, lack the support of a bread-winner.

Road Rules Cause Motor Accidents

Insurance men are somewhat concerned over the proposed change by the government in the rule of the road for British Columbia. In the United States, just across the border, autos turn to the right, in British Columbia, they turn to the left, and because the rule of the road is different in the two countries, many accidents have occurred. Most of the problem, of course, centres around the question of how to bring about the change, as the B.C. Electric Railway Co., besides being a heavy loser, would be compelled to per-

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