

to manage our own insurance affairs. That is the only thing I can see in it, and if we have not these two qualities in the management you cannot possibly make for success in any business, and under the operation of this law, hampering on the one hand the business producing section of the company and on the other hand the investing branch of the company. You would simply place fetters upon the operation of intelligent management which would destroy its efficiency and prevent it holding its own in competition and against the advance that is being made by foreign companies. Therefore, if we have not in the management of our companies intelligence, and if we cannot trust their integrity, we are not fit to manage this business. It will be better for the Canadian people that you place the most restrictive legislation against our companies in order that business will pass to the companies of that country which is fortunate enough to hold citizens who are accredited with the possession of these qualities.

Now, in regard to the operation of a few of the sections touched on briefly but which affect more particularly the operations and the practice of companies in regard to estimates: I think it has been already dealt with pretty thoroughly. I refer to it again because it seems to me the people can better be safeguarded by having the agents in possession of accurate information as to what has been paid and what probably may be paid than to leave it to the imagination of every individual. You cannot get rid of these questions being asked the agent when he goes to solicit insurance.

Mr. HARRIS.—Does this proposed clause cover that sufficiently?

Mr. WESTON.—No, it eliminates estimates, it prohibits estimates absolutely.

Mr. HARRIS.—That would not be amiss, would it?

Mr. WESTON.—It can be so construed. An estimate would necessarily be based on actual results in the case of an old company, but with a new company it would be based upon probable results.

Mr. HARRIS.—You could not prevent anybody showing a statement of actual results, could you?

Mr. WESTON.—Well, actual results would be an estimate as applied to a new company, and it would not be to the interests of that company to advertise one that had secured actual results.

Mr. PERLEY.—If you show the actual results then it would not be an estimate at all, and it would not come within that clause, surely?

Mr. WESTON.—It depends upon how far you read this. When asked to make a statement what the profit is liable to be it is better for the agent to be in a position to base his statement upon actual results.

Mr. HARRIS.—A statement of actual results could not possibly be taken as an estimate.

Mr. REID (Sun Life).—‘Estimates’ is an insurance term and it is the intention of the Act to prohibit estimates. The section as drawn would prohibit an agent from using actual results in any form, because in doing so he is laying before a person anticipated results.

Mr. HARRIS.—The clause reads: ‘Any estimate, illustration or statement of the dividends or shares of surplus expected to be received in respect of any policy issued by it.’

Mr. REID (Sun Life).—Yes, I think it would apply that way, Mr. Harris, you see it uses the word ‘illustration’ and he uses it by way of comparison or illustration.

Mr. HARRIS.—What would you suggest?

Mr. WESTON.—I simply suggest that it be allowed to the companies to issue an estimate based on the reasonable division of the profits in accordance with the practice of the company. Now the actuary at the present time prepares certain estimates with which the agent is furnished, and he goes to the people and talks about the probable results which will accrue under a certain policy. That information is obtained from the head office of the company, and for it the officers of the company are responsible. That is the practice at the present but if you eliminate that, and the com-