be abolished or hampered in its legitimate work, but being a combination, ought to be fully subject to supervision and control by the state."

Regarding the local situation in Ontario, His Lordship reached the conclusion that it is not in the interest of the public to require that schedule of rates be filed by the insurance companies with the superintendent, with the limited function of determining the question as to whether the rate was or was not discriminatory. He recommends instead "That neither the Canadian Fire Underwriters' Association nor any other rate-fixing bureau or association shall be required by law to file their schedule of rates on any specific rate as a preliminary to the placing of insurance, but that the superintendent of insurance be empowered on written complaint by the insurer or on his own motion to require the Canadian Fire Underwriters' Association or other bureau or any insurance company to file details showing how the particular rate in question is made up and any other information which he deems necessary or desirable."

He further advises: "Giving power to the superintendent of insurance on written complaint or upon his own motion to review any rate fixed by the Canadian Fire Underwriters' Association, or by any other rating bureau or association for insurance upon property within the province for the purpose of determining whether same is discriminatory, and with power to the commissioner to order the cancellation of the rate for that cause.

Conciliatory Function

"That the superintendent of insurance shall be empowered to inquire into any other question which either the insured, the insuring company or any other rating bureau or association may bring before him, both as to whether a rate is unjust, apart from discrimination, and also in regard to any other question arising out of the relationship or proposed relationship of the parties in reference to the insurance in question, but in the exercise of this power the superintendent should not make an order, but should act like a board of conciliation, affording an opportunity to both parties to explain and exploit their points of view.

"The facts and the findings of the superintendent should be reported and stated by him in his annual report. If these reports indicate an improper situation on the part of the companies or the association, legislation might then be enacted upon the evidence so accumulated to cure the evil. Such a course of procedure would, it seems to me, disorganize business as little as possible, and would be more in the public interest than any more drastic legislation."

No Profiteering Found

As regards the profits of insurance companies, he finds that "having regard to the world-wide nature of the fire insurance business, to the keenness of competition, and to the fact which I have ascertained that those who are most intimately associated with the business rarely invest their surplus capital to any great extent in the stock of fire insurance companies, I incline to think that the profits are not excessive. If a legislative remedy were undertaken it would necessarily assume the form of establishing maximum rates fixed by the superintendent of insurance. For reasons stated elsewhere I am of opinion that the situation as disclosed does not at present warrant any such legislative action. I recommend that all companies be required to keep their records and make their returns in such form that the profits or losses on Ontario business are ascertained and that these be stated in the annual returns."

Higher Agents Fees

While pointing out that the matter of the reduction of expenses of companies was deserving of the fullest consideration by the legislature, the chairman gives also as his opinion that only fit persons making a business of writing insurance should receive a license and that those agents who prove unworthy to be trusted should have licenses cancelled. "I am of the opinion also that the licenses granted by the department should permit an agent to act only in certain classes of insurance," says the report. "I am of the opinion also that the fees payable by the licensees ought to be increased to a minimum of $5 in all classes throughout the province with a graded increase in towns and cities up to $100 as a minimum in the city of Toronto.

Adjusters

"I would also recommend similar provisions with respect to insurance adjusters. In the states of New York and Massachusetts the Insurance Act draws quite a clear distinction between agents and brokers, the agents representing the companies and their acts binding the companies, while brokers are in all cases representative of the insurer. It may well be a proper subject for consideration by the legislature whether a similar distinction should be made in our act; in that case the conditions under which a broker may procure a license should be similar to the provisions with respect to the granting of a license to an agent. The ruling of the superintendent of insurance refusing or cancelling a license should be subject to appeal to a judge of the High Court on originating summonses."

Fire Prevention the Remedy

On the question of fire prevention and the reduction of fire losses, the latter is, in His Lordship's opinion, the main avenue along which progress must be made if the burden of fire insurance premiums is to be reduced. After showing that Ontario's total loss for 1917 aggregated $11,538,429, or $4.61 per capita, which greatly exceeds any other country, he expresses the opinion "that a general diffusion of effort in attempting to prevent all fires is less likely to accomplish reduction of fire loss than a concentration of effort in preventing and controlling the spread of fires in situations where large losses are likely to occur."

His Lordship, after reviewing the various influences brought to bear from educational, financial and compulsory standpoints to reduce fire losses, makes recommendations under the heads of prevention of fires, prevention of fire losses and the placing of responsibility.

With respect to the first head, he deals with powers of investigating fires, building supervision and provincial inspection, additional inspection of risks, and suggests the creation of a central provincial board of practical experts and business men, with a staff of inspectors to enforce its regulations, such enforcement to cover the local municipal regulations as well as the provincial requirements. Dealing with the second head, the chairman submits the important recommendations along this line presented to him by a representative of the Associated Fire Chiefs of the Dominion. With regard to the third head, the placing of individual responsibility for fires, His Lordship suggests the draft act of the National Fire Protection Association, with a Canadian branch, receive the careful consideration of the legislature.

Miscellaneous Insurance

In concluding his report His Lordship merely recommends for careful consideration the question of taxing of premiums to unlicensed companies which are outside the province, makes no recommendation in regard to reciprocal or inter-insurance; states that it would be desirable with respect to automobile insurance to wait till the parties interested have more fully developed a form of contract as to the terms of a policy, when it will be in order for the legislature to enact statutory conditions; refers similarly to casualty insurance as to automobile insurance, and recommends no legislation regarding boiler insurance.

His Lordship finds with regard to auto casualty and boiler insurance a similar association to the Fire Underwriters' Association, to establish and maintain rates, and recommends "that the statutory provisions to be drawn up in this regard should be of a general character, applicable to all insurance in the way of supervision, and control should be the same in respect of these three classes of insurance as with respect to fire insurance."

His Lordship is unable to recommend in connection with the Canadian Bar Association request regarding uniformity