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## LIFE INSURANCE LEGISLATION

An idea of how life insurance in the United States is "legislated," can be gathered from a report just issued by the Association of Life Insurance Presidents, with headquarters in New York, but which has Canadians on its membership roll. In connection with its legislative work this year, the association has examined 2,109 measures, presented in 42 legislatures, as compared with 1,250 in 1909 and 1,650 in 1911. General Counsel Robert Lynn Cox, in making his seventh annual legislative report to the association, states that this leap of nearly 70 per cent. in four years is accounted for partly by the natural expansion in purely life insurance bills and partly by the widening field of the association's work. The total number of laws enacted thus far this year directly affecting the business of legal reserve life insurance is 97, as compared with 94 at this time in 1911.

After digesting that record, Canadian companies should feel grateful that we have only one federal and nine provincial governments. Undoubtedly a craze for life insurance legislation is in full swing in North America, and those interested in life insurance, official, shareholder and policyholder, may well speculate as to where it will end.

Mr. R. W. Barton, A.I.A., writing in *The Monetary Times* recently on this subject, said: "Life assurance contracts from their very nature extend over a long term of years. The contingencies of twenty, or even fifty and more years hence, have to be provided for by a premium unalterably fixed to-day. Yet legislation of all kinds is continually being introduced without regard to this fact. Not only legislation which compels the companies to do

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this for their policyholders or restrains them from doing that and the other, but also in the form of taxation. Dominion and Provincial taxation we know; but what shall we say when even municipalities controlling villages of a few hundred people exact a \$50 tax before the company can write business therein."

The state insurance experiments are another form of legislation affecting underwriting by corporations. All the time, however, governments conduct their life insurance business on unbusinesslike lines, little real competition may be feared. State life insurance is spreading in the neighboring republic. Twenty-five bills, nearly all of them following almost word for word the Wisconsin Act of 1911, were introduced in 14 states. Up to the time of the report of the Association of Life Presidents, 13 legislatures in which 23 of these bills had been introduced had adjourned without any of them being enacted into law. The two bills still pending are in the Illinois legislature. In no instance did the association offer or present any opposition to such legislation, nor did any life insurance men do so. It would seem, therefore, from the result noted, that there is at present no demand on the part of the people generally for state life insurance. Doubtless this fact is largely due to the low rates offered by the privately managed companies in the United States and Canada. The mutual character of this business, with its keen competition and its thorough state supervision, guarantees a continued low-priced service to the people. In Illinois, in addition to a bill along the line of the Wisconsin Act, there is pending a measure establishing a state life insurance bureau and providing for compulsory assessment insurance by all residents of the state twenty-one years old and upwards. In the meantime, the Dominion Government is puzzling its legislative head as to how to sell a respectable lot of annuities.