

recommendations of the Commission were in the main the same as of the "Armstrong Committee" Many of the recommendations, however, were not embodied in the legislation passed subsequent to the investigation. At the same time, there is a closer analogy between the Acts of 1910 and 1917 and certain United States Statutes passed in recent years than obtained between the insurance legislation of the two countries at any earlier period. Many of the new features introduced in the legislation of 1910 and subsequent years were repealed in 1932. It should not be supposed, however, that the legislation of 1932 was a reversion to the pre-1910 legislation; many provisions adopted in the Acts of 1910 and 1917, and the subsequent amendments, are incorporated in the Acts of 1932. Some of these are examined below in greater detail than was found convenient in the above summary.

By the Act of 1910, companies were authorized to include in life insurance policies provisions for waiver of premiums during total disability and, in event of total and permanent disability, to pay in full settlement of the policy an amount not exceeding the sum assured. In practice, on the occurrence of total and permanent disability, the sum assured was usually paid in equal instalments over 20 years rather than in one sum, the balance of the sum assured being payable in event of death within the 20 years. The 1917 Act permitted the payment of a total and permanent disability benefit equal to the amount of life insurance in the policy but without any reduction in the life insurance. Under this authority, the usual total and permanent disability benefit included in policies was a monthly annuity of 1 p.c. of the sum assured, payable until death or until maturity of the contract or until earlier recovery from disability. The value of this annuity on a life totally and permanently disabled is less than the sum assured and consequently the annuity benefit is within the total and permanent disability benefit authorized by the Amendment of 1917. In substance, the Acts of 1932 empower companies to include in life insurance policies the disability benefits authorized by the 1917 Amendment.

The inclusion of disability benefits in life insurance policies proved popular with the insuring public. A few years back, the great majority of policies issued included these benefits, which shows that this type of insurance protection was greatly appreciated. Unfortunately, the disability claims experience of companies became progressively worse from year to year and, during the last few years of the decade ended with 1930, threatened to get out of hand. As a consequence, companies have considerably reduced the disability benefits relative to the sum assured and have increased the scale of premiums, while at the same time they have increased the stringency of the claim conditions.

The 1919 Amendment to the Insurance Act 1917, affecting fraternal benefit societies, was an amendment of great significance. It is more convenient to deal with it in a later paragraph concerning the history of fraternalism.

One of the provisions of the 1922 Amendment, namely, the provision empowering life companies, incorporated by the Parliament of Canada, to transact other classes of business, is perhaps entitled to more lengthy notice than given on p. 938. In 1894 an Act was passed forbidding the transaction of life insurance business in combination with any other insurance business. This principle was reversed by the 1922 Amendment and confirmed by the Act of 1932, authorizing a life company, on passing a by-law confirmed by the members of the company and sanctioned by the Treasury Board, to engage in any and all other classes of insurance business, provided separate funds and accounts are maintained in respect of the life insurance business and in respect of the other classes of insurance business transacted. Before commencing any new classes of business, an initial fund is to be set up, the amount