

day after the commencement of this Act, both inclusive, has sustained or sustains loss from war damage, and if he makes application to the Minister on or before such thirtieth day aforesaid, to enter into a contract of insurance in respect of such property, the Minister may enter into a contract of insurance in respect of such property effective from the beginning of the twenty-fourth day of December, one thousand nine hundred and forty-one, but the amount of the indemnity payable under any such contract in respect of war damage to such property during such period shall not exceed fifty thousand dollars.

First of all we have this \$3,000 indemnity. Then it is provided that the owner of a property which has been destroyed between the 24th of December, 1941, and the thirtieth day after this Act is passed by this Parliament and receives the Royal Assent, can get \$50,000. In other words, if I insure my house two months after it burns down, I can get an insurance policy to compensate me for my loss. Surely there has been no damage in Canada so far as enemy action is concerned. Why is that clause in the Bill at all? It is senseless. Such indemnity should become effective only after the Act has been passed and ratified by the Governor General. I want to know to what class of people the \$50,000 indemnity is to be paid.

But the worst clause is the one with regard to the payment of premiums, and I am opposed to the Bill because it means that the Government of Canada is interfering with private business and private rights, for it is going to issue policies, perhaps at a lower rate than that at which the old line companies can afford to issue them. Of course it is possible they may be higher. In any event, under this Bill the Minister may decide the rate or rates of the premium, and the amount or amounts of the indemnity payable under the contract. As my honourable friend has said, the maximum amount as far as fishing boats are concerned is \$2,000; but the Bill provides that the Minister may decide the amount that is to be paid, and he may decide that it shall be \$5,000 or \$10,000, or less than the \$2,000.

I do not think the Government has any right to interfere in any way with, or to go into, the business of insurance. I can understand that the Government has a right to regulate; and if the insurance companies were to come to it and say, "There is likely to be a great deal of damage from the bombing of towns and cities, and we cannot afford to carry these risks, but will agree to insure them if you will stand behind us and make up the difference should the rates charged not cover the loss," it would have a right to act. That would be the sensible thing to do.

Hon. Mr. DUFF.

Just a few weeks ago the Government decided, and quite properly, to ration sugar. It was realized that with the sinking of ships in the Caribbean and on the Atlantic coast tonnage had been greatly reduced, and that we could not hope to get our usual quota of sugar from Cuba, Jamaica, Trinidad or Demarara. Unless something was done there was going to be a shortage of sugar. First of all, the Government appealed to the good, loyal citizens of the country to curtail their consumption of sugar, and I am delighted to know that throughout the country the people entered into the spirit of the suggestion, and thousands of them voluntarily reduced their consumption of sugar. Since then the Government has decided that sugar should be rationed, and sugar ration cards have been issued. But the Government did not go into the business of buying sugar and of opening stores to sell half a pound to each of the citizens of this country. If the Government is going into the insurance business, why should it not have gone into the sugar business also? Why should not the Minister of Agriculture, instead of controlling butter, open stores and sell it?

This legislation is unnecessary because the insurance companies are in a position to look after our insurance requirements and to take care of every loss that may occur in Canada or on the Atlantic or Pacific ocean, or on our inland waters. Therefore I say this legislation should not pass. The Government could, if necessary, enter into a contract with the insurance companies and stand behind them. That would be a much better proposition than for the Government to open up a whole suite of offices, or to take over a building in this city, and hire stenographers, buy typewriters and furniture and all the other things necessary for a big organization, and employ a representative in every village or hamlet throughout the country to act as agent and accept applications from people who want to insure. I say, therefore, with all deference, that in my opinion the Government would be better advised to do whatever is necessary by Order in Council, with regard not only to the shipping situation, but the situation as a whole, and to declare, "We will stand behind the insurance companies and see that the people are protected."

Hon. C. C. BALLANTYNE: Honourable senators, I must say that I have been very much impressed by the remarks of the honourable senator from Lunenburg. They have been practical and to the point.

I have been unable to read this Bill in anything but a cursory manner, but, like the honourable gentleman from Lunenburg, I do