

The Dominion enactment known as the "Insurance Act" provides that no company (whether Canadian or foreign) shall carry on the business of insurance in Canada without first obtaining a license from the Minister of Finance, and that before the issue of such license a deposit shall be made with the minister. This deposit may be made in Dominion or Provincial securities or other securities approved by the minister.

The provisions of this Act do not apply, however, to any company transacting in Canada ocean marine insurance exclusively. Probably this exception is due to the fact that marine insurance, which is the oldest known form of insurance, has from the earliest times been regarded as belonging to the laws of nations—part of the law merchant—not subjected to any local regulations. As far back as 1761, the celebrated ordinance of the great French Minister of Finance, Colbert, expressly allowed aliens to engage in marine insurance in France, although at that time the rights of aliens were in other respects extremely circumscribed.

Our Insurance Act also requires every company applying for a license to file with the Department of Finance a copy of its charter, a power of attorney to its agent in Canada, and a statement as to the condition of its affairs. Further provisions are contained as to the annual returns by companies, supervision by the superintendent of insurance, conditions of policies, forfeiture and renewal of licenses, etc.

The constitutionality of some of the provisions of the Insurance Act has been seriously questioned, especially the clause dealing with the conditions inserted in policies, inasmuch as the subject matter of contracts and civil rights is within the exclusive legislative jurisdiction of the provinces. But it seems probable that the general scheme of the Act which provides for the licensing and superintendence of insurance companies operating throughout the Dominion, is within the ambit of the Canadian Parliament.

In addition to these federal enactments, there are likewise some provincial statutes affecting the right of foreign insurance companies to carry on business.

In Quebec, the only formality required is the filing of the declaration which is required from all incorporated companies doing business in the province.

The Province of Ontario has enacted a very elaborate statute known as the "Ontario Insurance Act, 1897." It provides for the licensing and registration of companies transacting insurance business in Ontario, but insurance licenses of the Dominion of Canada are entitled to be entered on the Ontario register.

No insurance can be transacted or undertaken in Ontario except by a corporation duly registered under the act.

In Nova Scotia foreign insurance companies are effected by the general provisions respecting domestic and foreign insurance companies contained in chapter 127, of the Revised Statutes of Nova Scotia. The Legislature provides that before beginning business in the province, every company not incorporated under the authority of an Act of the legislature of Nova Scotia must make out and transmit to the Provincial Secretary a statement under oath showing:—

The corporate name of the company.

How the company was incorporated.

Where the head office is situated.

The amount of the authorized capital stock.

The amount of stock subscribed or issued and the amount paid up thereon.

The nature of each kind of business the company is empowered to carry on and what kind or kinds of business is or are carried on in Nova Scotia.

The names of the directors and officers of the company and its agent or agents in the province.

In British Columbia the legislature has also passed an Act for the incorporation and regulation of joint stock companies and trading corporations.

This Act provides (Section 123), that no extra provincial company having gain for its purpose and object shall carry on any business within the scope of this Act in the province, unless and until it shall have been duly licensed or registered under the Act and thereby become expressly authorized to carry on such business as is specified in the license or certificate of registration.

Section 125 of the Act provides that a special license may be granted to any extra provincial insurance company incorporated under the laws of Great Britain or Ireland or of the Dominion of Canada or of the late Province of Canada or of any of the provinces of Canada empowering it to purchase real estate and to loan and invest its monies in the manner and to the extent permitted by the charter and regulations of the company. All other extra provincial insurance companies must be licensed or registered under the Act and are required to file with the registrar of joint stock companies, all documents and regulations enumerated in the Statute. The British Columbia enactment contains a very characteristic exception (No. 145) providing that nothing contained in the Act relating to extra provincial companies shall authorize the registration of any Chinese Company Association.

In New Brunswick the Statute prohibits any foreign insurance company from doing business in the province without first filing a certificate in the Provincial Secretary's office. And the New Brunswick courts have severely repressed any attempt at evasion of this statute. Thus where companies in New York issued policies which were delivered to insurance brokers of Boston, then forwarded by the brokers