

Mr. ELDERKIN: It is the law as far as the branches are concerned, senator, yes.

Senator ROEBUCK: They had to be incorporated?

Mr. ELDERKIN: They have to be incorporated. They have not come to us and asked us for incorporation, as far as I know—with the exception of Barclays in 1929. They came and asked for incorporation, and it was granted.

Senator ROEBUCK: Why are others not doing business?

Mr. ELDERKIN: In many cases because they felt it was equally profitable, if not more so, to do business through correspondents, by agents, by working in with Canadian banks. This is done on a reciprocal basis. The Canadian banks feed them a fair amount of business and they in turn perhaps can feed business to Canada.

The CHAIRMAN: They avoid all the overhead.

Senator DAVIES: The Bank of Commerce and the Bank of Montreal have branches in Britain.

Mr. ELDERKIN: Five banks have branches in Britain. They all have, except the Banque Canadienne Nationale, Banque Provinciale and the Mercantile Bank.

Senator DAVIES: They must have special provisions?

Mr. ELDERKIN: No, they operate there as banks and wholly as such.

Senator KINLEY: It seems to me that Lloyds of London have exemptions under insurance laws that are advantageous in Canada, over and above what we have; and furthermore it has become a monopoly. No one in Canada is in the marine insurance business, practically; and Lloyds seem so efficient that they control the whole situation.

The CHAIRMAN: That is a question we could have discussed with more relevance when Mr. MacGregor was here earlier, on another bill.

Senator KINLEY: I am telling you now, and I think it is right to state this.

The CHAIRMAN: Are there any more questions to be put to Mr. Elderkin?

Senator LEONARD: No. I would like to call on the other two. I think everyone in this committee feels we should thank Mr. Elderkin for his very complete, interesting and informative statement; and I suppose he will be available if we want him further.

Senator ROEBUCK: Mr. Chairman, I would like to say how much we have been impressed by the evidence of this witness, by his very large general knowledge, and by the freedom with which he has imparted it to us.

I think I express the opinion of everyone here when I say that we are grateful to him.

The CHAIRMAN: The senator might add that that is only what we expect from Mr. Elderkin, having had him before us on other occasions.

Mr. ELDERKIN: Thank you very much, gentlemen.

Senator LEONARD: May I suggest now, subject to the wish of the committee, that we ask Mr. Tolmie to present, on behalf of the petitioners, any further evidence he would like to give.

Senator MCCUTCHEON: Mr. Chairman, how long are you proposing to continue?

The CHAIRMAN: Until 12.30.

Mr. J. R. Tolmie, Q.C., Counsel for Petitioners: If it is the wish of the committee, I would like to call both Mr. Stevens and Mr. Coyne. Each has a prepared statement. Those statements run in sequence. Mr. Stevens will