

companies, Canadian and foreign, as I think this Bill should. Our laws are very strict with regard to stock companies, which are called old line companies. They have to make a heavy deposit and have a large reserve. Before they can get a permit to begin business they must deposit \$50,000 with the Minister of Finance, and, further, they have to deposit additional sums as the Minister of Finance, and the Superintendent of Insurance think proper, and we know that some strong companies have deposited with the Government as much as \$750,000. I believe that is perfectly right, and that we should protect the people who insure, because that business is not well understood even by lawyers, and laymen who do not understand it at all, should be protected. I approve of rigorous measures being adopted, but under this Bill those measures would only apply to companies which are already safe, and which have capital in some cases amounting to \$30,000,000, or \$40,000,000, while the assessment companies, having no assets whatever, are permitted to enjoy all the benefits of the law while they incur none of its charges or obligations. Again, I think that is not right. We ought to protect our people, and protect the regular companies doing business on sound principles, against companies which have no assets whatever and cannot even be brought before a court of justice to compel them to meet their obligations—companies represented by respectable men some of them, but others having at their head men who have not a cent of their own invested. If such companies should fail, as I could prove they almost all invariably do, because their basis is a false one, they ought to be required to bear the same burdens as regular companies. They should not enjoy all the privileges and be subject to none of the responsibilities imposed by the law upon stock companies. For my part, I protest against cancelling clause 6, which limits the application of clause 5 to foreign companies, without the words I have mentioned being added to the 5th clause, which would bring all Canadian companies under the Act.

HON. SIR ALEX. CAMPBELL—There may be something in the point which the hon. gentleman takes. I will consult the

Superintendent of Insurance on the subject and bring the matter up when the Bill is before us for third reading. The effect of the language added to the fifth clause would be what he describes. I will consult the Superintendent of Insurance and see if there is any objection to the proposed amendment.

HON. MR. OGILVIE—I do hope the Minister of Justice will make a careful examination of this Bill and look into it thoroughly.

HON. SIR ALEX. CAMPBELL—That is what we have been doing.

HON. MR. OGILVIE—Because it contains some clauses that are most vicious. Many of these companies, when they are started, have not the least background to work upon. Take a stock company which has to deposit \$50,000 with the Finance Department, and you have not only the security of the stockholders, but you have also the security of the deposit. Now these mutual insurance companies pretend to insure for almost nothing, which everybody knows cannot be done, and they go on doing a business that kills the regular insurance companies and does not at the same time protect the interests of the people who are insured with them. I could mention more than one case in Canada already where policyholders have come to grief, simply because this was not done. I hope the Minister of Justice, with his usual care of all Acts that are introduced here, when the Bill comes before us again will look into it most carefully and see that provision is made for a proper deposit before such companies are allowed to go into operation at all.

HON. SIR ALEX. CAMPBELL—Certainly, I will see about that before the third reading.

HON. MR. DEVER, from the committee, reported the Bill with amendments, which were concurred in.

The Senate adjourned at 5:10 p.m.