

America Act. I do not think it is the function of any Government to enter into business. Government has certain functions with regard to regulating those who do business. In my opinion that is what should be done in this case, instead of setting up a bureaucracy. I doubt very much that the proposed legislation will be found workable, but if it should be, I am certain we shall have a central office here in Ottawa with anywhere from 500 to 1,000 employees, at great expense to the taxpayers. Further, in order to make the operation of the Act effective in regard to the risks it deals with, you will need agents of the central office in every little village and hamlet throughout Canada. This will cost the taxpayers millions and millions of dollars at a time when in my opinion there is no necessity for such expenditure. I am in hearty agreement with the idea that the Government should come to the assistance of our people, especially those on our two coasts, where there is greater likelihood of war damages to homes or fishing boats or chattels than anywhere else.

My honourable friend the leader of the Government has said that insurance of the class of boats which he mentioned would be worked out by Order in Council. This being so, why is it necessary to have a Bill of this kind? Why not effect its purpose by Order in Council? Or, if it is considered necessary to pass such legislation as this to provide for compensation for war damage to houses and chattels, why was no provision made with regard to damage to fishing boats which might be sunk or lost by enemy action?

Some Hon. SENATORS: Hear, hear.

Hon. Mr. DUFF: Either one method or the other is wrong. I contend that what should be done is what was done during the last war, as my honourable friend the leader on the other side (Hon. Mr. Ballantyne) and another gentleman opposite will remember. In 1917 we had a very serious explosion in the city of Halifax. Two or three thousand persons were killed and ten thousand injured, and millions of dollars' worth of property was destroyed. The Government of that day appointed a committee to investigate the damage and report how in some slight degree those people should be compensated for their great loss and suffering. I submit that a similar course might well be followed to-day. There is no necessity for this Bill.

But my strongest objection is that by this proposed legislation the Government will enter into competition with our regular marine and fire insurance companies, which companies are

quite capable of looking after war risks. Therefore I am opposed to the principle of the Bill. If I read correctly the statement of the Minister in the House of Commons who sponsored this Bill, I infer that he was sorry he had ever introduced it. I hope that is not stating the case too strongly, for I do not want to put words into the Minister's mouth. I say again, there is no need for this type of legislation. If, for instance, a German or Italian warship comes around the point in Lunenburg and, seeing the Union Jack floating on the flagstaff near my home, takes a pot shot, I think the Government should say: "You are a loyal fellow; you believe in keeping the British flag flying; and we are going to recommend that you be paid for the damage you have suffered."

To my mind this Bill is something like a cross-word puzzle; it is not at all clear. One clause provides that the maximum compensation shall be \$3,000. But the honourable leader of the Government has said that compensation to a boat-owner would be limited to \$2,000. The honourable senator from Vancouver (Hon. Mr. McRae) said that not only on the British Columbia coast, but also on the Great Lakes, there are ships which cost as much as \$50,000, and on the Atlantic coast we have fishing and other vessels valued anywhere from \$15,000 to \$250,000. Under this legislation, if I understood the leader of the Government aright, all the owner of a boat would get for a total loss would be \$2,000.

Hon. Mr. KING: My honourable friend has misunderstood me. The \$2,000 compensation is to take care of certain types of craft which are not dealt with in this Bill, but will be dealt with by Order in Council. I thought I had better clarify that so there would not be any misunderstanding here such as that which occurred in the House of Commons when the Bill was under discussion. The compensation feature in the Bill provides, as my honourable friend says, \$3,000; but that is irrespective of the \$2,000 which will be applicable under Order in Council.

Hon. Mr. DUFF: Thanks very much for the explanation. I think we understand one another very well. What I am asking is why any larger amount should be paid to a householder, for instance—of course no one can live without a dwelling—than should be paid to the owner of a fishing boat or a freighter which is destroyed.

I agree with the leader of the Government that there is a sort of mix-up here, because I find that clause 6 provides:

If any person, during the period between the twenty-fourth day of December, one thousand nine hundred and forty-one, and the thirtieth