

and 8 shall also apply to any company incorporated in Canada carrying on life insurance on the co-operative or assessment plan." I am one of those who do not believe in the assessment plan; but I am willing that those assessment companies should have a fair trial. That was the opinion of the committee; but the opinion was also expressed very strongly that everything should be done to prevent confusion between the old line companies and companies on the new system. I proposed amendments which were adopted by the committee, and among others was one providing that the word "assessment system," shall be on the face of every policy. At the last sitting of the committee the Bill having been considerably amended, so much so that we did not know the numbering of the clause, it was suggested that the amendment I now propose should be made in Committee of the Whole House. I now move it. Its effect will be this: Under clause 5 it is provided that a foreign assessment company shall be subject to the following regulations, stated briefly: Death claims shall be the first charge on all moneys received for assessment. No portion of such moneys shall be used for any expense of the administration. A clause shall be printed in colored ink declaring that this association is not required by law to maintain any reserve. Every policy shall contain an absolute promise to pay. These are the conditions which the committee laid down as forming a good safeguard to policy holders. I do not see why, if these resolutions are good as regards foreign assessment companies, they should not be good as regards Canadian assessment companies. I, therefore, move that these conditions which are required of foreign assessment companies should also be required of Canadian assessment companies.

Mr. IVES. Can any provision be made to insure that an action can be brought in the case of death loss against any of the American companies in Canada? When a policy was produced in the committee it was found that one of the prominent conditions was that no action could be brought against the company with respect to losses except in a certain court in New York city. Is any provision made which will give to our courts jurisdiction to enforce the rights of our people with respect to this class of policy?

Mr. WELLS. Our courts have jurisdiction already, and judgments are reported.

Mr. IVES. Is that the case if a man makes a contract in which he agrees that no action shall be taken except in a certain court?

Mr. WELLS. The present policies do not contain any such condition.

Mr. IVES. Would it not be better to make it a condition of their doing business here, that the companies should be amenable to our courts.

Mr. BOWELL. That question was very fully discussed in the committee, and it was put to the committee and lost. Some of the lawyers in the committee, and I think the hon. member for North Victoria, gave it as their opinion as the hon. member for Bruce (Mr. Wells) has done now, that they have the power.

Mr. GIROUARD. No doubt they have, and a clause at the back of the policy to the effect that the insured shall be subject only to the jurisdiction of the United States, will be no good.

Mr. IVES. I certainly think it would be a good deal safer to make it a condition of doing business here, that they should be amenable to our courts, than that they should have to trust to litigation either here or in the United States. Supposing a party seeking to recover his claim has to go to New York or some other place to obtain his claim, and when he goes there to seek enforcement of

the judgment, he is met with the original objection that the judgment obtained here was contrary to the agreement between the two parties, and consequently it would be null and void.

Mr. BEATY. I regret that such legislation is necessary at all, as it will create confusion to have the assessment companies and the old line companies operating together. But as apparently, some kind of legislation must be had, we should give every consideration and protection to the assured, so that the money invested may bring them a return when the time comes. I shall support the motion of the hon. member for Jacques Cartier (Mr. Girouard), for that reason.

On sub-section 3,

Mr. BOWELL. I would suggest the addition of these words: "upon such trusts as shall be determined by the Governor in Council."

Sir RICHARD CARTWRIGHT. With reference to that point, so far as we could understand from the evidence of the Superintendent of Insurance, it would be utterly impossible for him in practice to insist on any additional deposit. He said to us—and it is right that the House should know it—that it was quite impossible for him to estimate their liabilities at all, on the system on which they do business, and he did not expect that he would be able to advise the Minister to call upon them to make any additional deposit, unless as a mere arbitrary regulation—mere guess work, I think were the words he used.

Mr. BOWELL. I suppose he would judge by the extent of business done by the company, and if the amount of business was sufficiently great to warrant a recommendation for a further deposit, he would be justified in making such a recommendation.

Mr. DAVIES. Does the amendment apply only to the additional deposit, or does it apply to the \$50,000 as well?

Mr. BOWELL. The present deposit of \$50,000 is, I suppose, governed by the present insurance law; and I think probably the construction put upon this amendment would be that it would apply only to the additional deposit.

Mr. DAVIES. I do not understand that the provisions of the General Insurance Act enables the Governor in Council to make any declaration as to its appropriation, nor do I understand that it is accessible in any way by a policy holder as security for the payment of his deposit.

Mr. BOWELL. This sub-section provides for the first deposit being made under the provision of the Consolidated Insurance Act.

Sir RICHARD CARTWRIGHT. As I understand, this \$50,000 is the property of all the parties, all over the States as well as here, who have claims. That appears to result from the nature of the case as applies to mutual companies. You cannot reserve it for the benefit of Canadian policy holders—I think there is no dispute about that.

Mr. BOWELL. And that was one of the principal reasons why the committee insisted on making further deposits, in case they should be asked by the Government upon the report of the Insurance Inspector.

Sir RICHARD CARTWRIGHT. And these further deposits would be subject to the same conditions as the other—they would not belong specially to Canadian policy holders.

Mr. DAVIES. That would depend on the direction of the Governor in Council.

Sir RICHARD CARTWRIGHT. I think not; I think it is in the nature of the case.

Amendment agreed to.