

1913 in the statement that was read. In my opinion we ought to know what we are voting on.

Hon. Mr. GILLIS: Next sitting of the House.

Consideration of the report was postponed.

CANADIAN AND BRITISH INSURANCE COMPANIES BILL

SECOND READING

Hon. RAOUL DANDURAND moved the second reading of Bill 3, an Act to amend the Canadian and British Insurance Companies Act, 1932.

He said: Honourable senators, the object of this Bill is to permit the Treasury Board to authorize deposits by certain provincial companies less than the ordinary deposits required by the Canadian and British Insurance Companies Act. The companies affected are companies applying for registry restricted as to territory to one or more of the provinces of Canada and incorporated by provinces which require even provincial companies to have Dominion registry. I understand that the province of Nova Scotia, for instance, has no insurance department and requires of companies a licence issued by the federal Department of Insurance.

The amendment contained in the Bill is similar in effect to subsection 2 of section 14 of the Insurance Act, Chapter 101 of the Revised Statutes of 1927, which was as follows:

Where a licence limited to one or more of the provinces of Canada is granted, the Treasury Board on the report of the Superintendent may authorize the acceptance of an initial deposit less in amount than in this section provided.

This subsection was omitted in the revision of the Act in 1932.

While the amendment now suggested is of general application, the necessity for it has arisen from an application recently received from a newly incorporated farmers' mutual company in the province of Nova Scotia. That province since 1918 has required provincially incorporated companies to hold Dominion licences or registry as a condition of their transacting business within its boundaries, and, under the provisions of subsection 2 of section 14 of the Act I have just quoted, licences were issued to four farmers' mutual companies with deposits less than \$50,000. The operations of those companies have been of the greatest benefit to the farming communities in the province which they serve, and it is believed that an equal opportunity lies before the newly in-

corporated company. It is desirable, however, that it should be under supervision which the province looks to the Dominion to provide. Obviously this supervision can be given only if facility is provided for licensing under the Dominion Act, and a requirement of a \$50,000 deposit from such a company as a condition of licensing is prohibitive.

The legislation of the province of Nova Scotia to which I have referred was first enacted by Chapter 15 of the Statutes of 1918 and now appears as Chapter 187 of the Revised Statutes of Nova Scotia, 1923. In that statute the term "Insurance Act" is defined to mean "The Insurance Act, 1917" (Canada) and to include any amendments thereof that may from time to time be made. This definition was amended by Chapter 32 of the Statutes of 1936, as follows:

(a) "Insurance Act" means "The Canadian and British Insurance Companies Act 1932" (Canada), or "The Foreign Insurance Companies Act 1932" (Canada) and includes any amendments thereto that may from time to time be made.

Section 2 of Chapter 187 provides that:

(1) No insurance company shall do or carry on in Nova Scotia any part of its business of insurance unless and until it is thereunto licensed under the Insurance Act.

Should any other province in the future legislate to the same effect as the province of Nova Scotia has done, the amendment contained in the present Bill will probably be necessary for the purpose of accommodating small provincial companies, operating in the province, for which a \$50,000 deposit would be prohibitive.

Right Hon. ARTHUR MEIGHEN: Honourable members, I am strongly in favour of this Bill. It appertains only to smaller provincial companies whose operations are confined to the province where they are incorporated, and applies to them only in any province which, having no insurance department of its own, legislates that such insurance companies and all others operating within its borders must hold a licence or certificate of registry from the federal Department of Insurance.

It is important in that it paves the way still better for admission of provincial companies into the supervisory sphere of the Dominion, and it may lead to abandonment of the present multiplicity of our insurance jurisdictions. We are trying to reduce the inordinate expense of multiplied governments in Canada. I do not know of any means we can take more likely to bring this about than