

*Private Bills*

jealously guard, namely, the type of insurance which may be covered.

**Mr. Deputy Speaker:** Order. The time allotted to the hon. member has expired.

**Mr. T. S. Barnett (Comox-Alberni):** Mr. Speaker, I realize there has been some discussion in respect of this bill but there are some remarks I should like to make concerning it. As has been pointed out already, in some respects the bill before us is similar to its companion bill, No. S-12, which we still have to consider. There seem to be many points of similarity in these two bills. I notice that in both bills it is proposed that the capital stock of the company, \$5 million, be divided into shares of \$5 each and that the company in both bills is not to commence business until at least \$1,736,800 of its capital stock has been subscribed. In this connection there is one interesting difference. In Bill S-11 it is suggested that before a general meeting for the election of directors can take place there must be \$1,750 subscribed and fully paid, whereas in Bill S-12 the amount which has to be subscribed and fully paid before a general meeting for the election of directors can be held is \$2,500. Just why Income Disability and Reinsurance Company of Canada has to have that much more money in the kitty before it can hold a directors' meeting I find puzzling in a minor way.

• (6:50 p.m.)

The hon. member for Timiskaming (Mr. Peters) raised some question about the proposed name of this company which is seeking incorporation through Bill S-11. I agree with his sentiments so far as the use of the word "Income" is concerned. Immediately a question arises in my mind about this name and I think we should have some clarification as to whom the income is for. I am inclined to think it is probably income for directors and shareholders rather than primarily for customers of the company. These points should be given serious consideration.

There have been what I would describe as a rash of bills coming before us for the incorporation of insurance companies. The one now before us asks for a federal charter to change the governing legislation from the provincial to the federal level. One immediately wonders why this is necessary. The provisions of the British North America Act divide jurisdiction in this regard between the federal and provincial governments. As far as I am able to determine there is no direct

[Mr. Peters.]

reference in section 91(2) as to jurisdiction in respect of the establishment of insurance companies.

I can only surmise that jurisdiction in respect of insurance companies is developed in the federal field under section 91(2) of the B.N.A. Act which provides authority for the regulation of trade and commerce. On the other hand, as we all know a great many companies have provincial charters. This may be the result of section 92(13) which places property and civil rights within the jurisdiction of provincial legislatures.

As I understand it, this company could go to each provincial legislature to seek incorporation and authority to operate within the province. Because of that fact I wonder whether or not this bill is in fact an attempt to circumvent the will of the legislature of a province. I know of cases in British Columbia where groups have applied for incorporation but have been turned down. They have then turned to the federal authority for incorporation in order to circumvent that refusal. It appears that one of the issues we must consider in relation to this application is whether or not this is in effect an application to circumvent that part of the jurisdiction for the incorporation of companies which falls within the provincial field.

During discussions on previous occasions in respect of bills of this kind the question has arisen whether or not the time of parliament should be occupied in examining the applications of individual companies of this kind or whether or not it would be more appropriate to deal with them through some change in the existing legislation. As long as we have this responsibility it is one which we should accept seriously. We should not lightly agree to the passage of bills which seek to switch jurisdiction from provincial legislatures to the federal government without asking questions of this kind.

I note that the type of insurance coverage this company seeks to provide is not quite as extensive as that referred to in a previous bill, No. S-4. The type of insurance referred to in that bill ran all the way through the alphabet from A to Z. Apparently this company is a little more modest in asking to be allowed to provide coverage for types of insurance from A to C. There are many other matters which one could discuss in the consideration of this bill, but in view of the questions raised by the hon. member for Timiskaming regarding the name let me conclude by suggesting that this company might