

vision for the families of deceased civil servants, but the fact was always overlooked that the Superannuation Act was never intended to make a provision of that kind. For many years past the Government has been urged to adopt a measure of insurance under which the civil servants could insure themselves at a cheaper rate than with the proprietary companies. Under this Bill they get the benefit of the difference in interest between 4 and 6 per cent, and they also save the office and other expenses connected with ordinary insurance business, as well as the profits which accrue to private companies. We all know that the insurance business is very profitable, as it ought to be. I must congratulate the Government on the excellent plan they have adopted for insuring the lives of civil servants.

Hon. Mr. DEVER—I hope they will be able to run such an office without any loss to the country. Based on that principle, I think it will be very popular. If it results in a loss to the country, it will only be regarded as an indirect way of giving a donation to people who are not entitled to it.

Hon. Mr. KAULBACH—If it is voluntary on the part of those who come in hereafter, I am afraid it will be a perfect failure. Those who come in hereafter should do so on the understanding that they insure their lives. Have the officers of the Senate and House of Commons the right to come under this Bill?

Hon. Mr. BOWELL—Yes, every civil servant. It must be borne in mind that the same examination, as in a regular company, by a medical man, must be made before a civil servant will be accepted, and I find there is a provision in the 10th clause that the Minister may decline to enter into an insurance contract where there are, in his opinion, sufficient grounds for so declining. There might be an employee of the Government whose health would not justify the taking of the risk, and consequently it could not and should not be made compulsory.

Hon. Mr. KAULBACH—Should such a man be taken into the service—if his health is of that character?

Hon. Mr. BOWELL—I quite agree with the hon. gentleman that he should not, but

unfortunately, such men do creep in sometimes. There are many men who are prudent and do not spend all their salaries, who may have just as much insurance on their lives as their salaries will justify, and it would be a great hardship to compel those men to take more insurance and suffer a reduction of salary that they could not well afford.

Hon. Mr. CLEMOW—There is no doubt that a great many civil servants are already insured, and have been insured for years, and it would be a great injustice to require them to insure when they do not need it. We know in the past a great many insurance companies have failed and people have lost all they invested in policies. The object of this Bill is to give greater security to the civil servants.

Hon. Mr. POWER—It seems to me the Bill ought to be compulsory. The Government is in the position of any other large association having a great many employees. I may be mistaken, but I am of the opinion that in the case of the Bank of Montreal and other large corporations in this country, life insurance is compulsory. I think it should be compulsory except in the case of a civil servant already insured to the amount which is indicated in this measure. The Bill fixes \$2,000 as the maximum and \$1,000 as the minimum. In any case where a civil servant is already insured to the amount of \$2,000, the Bill should not apply, but it should apply and be made compulsory in every other case.

Hon. Mr. ALLAN—Suppose he is an old bachelor?

Hon. Mr. POWER—He may have a sister or some other person dependent on him.

Hon. Mr. DEVER—I think it is sufficient to hold out the low rate of insurance. That ought to be enough. There is no similarity at all between the case of the Bank of Montreal and the Civil Service of this country. The civil servants, to a very large extent, owe their appointment to influence, and some of them are much better paid than any bank clerks in the country. It is quite enough to hold out to the civil servants the inducement of lower insurance