

Mr. PETERSON: Mr. Chairman, so far as having the trust company purchase shares of the parent company Investors Syndicate of Canada, or the funds—I can assure this committee that will not take place. Also I think the committee should understand that the two mutual funds are controlled and owned by the public. Investors Syndicate participation was simply to start up the company, and out of \$120 million of Investors Mutual, Investors Syndicate of Canada have about \$100,000; and these assets are a small percentage of the outstanding stock.

Mr. HENDERSON: Does Investors Syndicate own a majority interest in any other company or companies, other than the ones mentioned here this morning?

Mr. PETERSON: I would say no; Investors Syndicate does not. Investors Mutual today is the largest shareholder of a number of Canadian companies. But, as I said before, it is a publicly-owned company. In no circumstances, however, does Investors Mutual own more than 10 per cent of the outstanding stock of any company.

Mr. RICHARDSON: May I ask Mr. Peterson if Investors Syndicate, the original company, 1894, of Minneapolis, still own some shares of Investors Syndicate of Canada Limited?

Mr. PETERSON: No; Investors Syndicate have no further interest whatsoever in Investors Syndicate of Canada. It is a company now owned by individual share holders of which there are between 3,500 and 4,000; and, as Mr. Cooper said, about 80 per cent today is owned by Canadians.

The CHAIRMAN: Perhaps the committee would like to hear from Mr. MacGregor, the Superintendent of Insurance, on this matter. He has been very helpful in the past, and I am sure that perhaps he knows more about this than anyone else in this room.

Mr. K. R. MACGREGOR (*Superintendent of Insurance*): Mr. Chairman and honourable members, in view of the explanations that have been given by Mr. Peterson and Mr. Cooper, I doubt whether it is necessary for me to make many comments in addition.

Briefly, according to the explanations that have been given to me, the proposed trust company will confine its operations in the foreseeable future, at least, to the pension field, both group and individual.

The bill follows the form of a model bill in the Trust Companies Act, except for clauses 5 and 6, to which I might refer briefly later.

The proposed company would be granted the usual power of a trust company, without exceptions, and without supplements.

My understanding is that the company will not in the foreseeable future exercise itself in many of the fields that other trust companies do exercise themselves in.

Normally it might accept deposits from the public; and it will not be administering estates. It will not be issuing guaranteed investment certificates of the type commonly issued by other trust companies.

A word of explanation, I think, is required, or at least is desirable, in reference to clauses 5 and 6. Under the Trust Companies Act, which was originally passed in 1914, a company must have a minimum subscribed capital of \$250,000, and a minimum paid capital of \$100,000, before it may commence business.

Those amounts were set out in the Trust Companies Act away back in 1914, and have not since been changed. A simple explanation is that there have been so very few trust companies incorporated by parliament in the last twenty-five years that there has really been no need to give the point attention.