

time has been simply to authorize the minister to determine the form and to make changes from time to time as he might think fit and desirable.

Consequently, it is now being proposed in this bill that the same procedure be adopted in respect to the determination of the form of the annual statement. The same procedure would be adopted for trust and loan companies as for insurance companies. In other words, the obsolete form as it now appears in schedule "B" would be deleted from the act and clause 11 would authorize the minister to determine the nature of the form of statement from time to time.

Mr. FLEMING (*Eglinton*): May I interrupt, Mr. Chairman, to ask you to excuse me. There is a cabinet meeting going on now and I do not think I am serving any very useful purpose here this morning. If you could excuse me, Mr. Chairman.

Mr. FRASER: We like to see you here.

Mr. FLEMING (*Eglinton*): I like to be here.

The WITNESS: I apologize for the length of the explanation in reference to clause 3, which is incidental.

Looking at clause 3, it will be noticed that the underlined words are "the schedule". All that is being done in clause 3 is to delete the reference to schedule "A" and refer instead simply to the schedule. At the present time schedule "A" sets forth a model bill for the incorporation of a new company; schedule "B" sets forth the form of the annual statement. If schedule "B" is repealed as now proposed in reference to the form of the annual statement, there will only be one schedule left setting forth the model bill and that is recognized in clause 3. The new wording is "the schedule" instead of "schedule "A".

Clause 3 agreed to.

On clause 4—General meeting.

*By Mr. Benidickson:*

Q. On clause 4 I am a little surprised to see the elimination of any minimum capital. As I recall Mr. MacGregor's testimony in connection with the insurance companies' incorporation, while there might be a minimum I think he has always urged the committee that there should be more than the minimum in not only capital but in subscribed capital. While the minimum, I realize, in the existing acts would not be adequate to satisfy very many members of the committee at this time, it was enough to start a business today, and I am surprised to see the complete elimination of it.—A. Clauses 4 and 5 relate to the initial capital required for the incorporation of a new trust company. Clause 4 relates to the minimum amount of capital required to be subscribed and paid before the provisional directors may call the first general meeting of the shareholders; in other words, the first organizational meeting.

Clause 5 relates to the minimum amount of capital that must be subscribed and paid before the company may commence business. As Mr. Benidickson has pointed out, at the present time there are minima amounts prescribed in the act for this purpose. These minima amounts were inserted in the act originally in 1914, and they have not been changed since then.

Under the Trust Companies Act, as it stands at present, there must be at least \$150,000 of capital subscribed, and at least \$50,000 paid before the provisional directors may call the first general meeting of the shareholders.

In the case of loan companies, the minimum subscribed is a little less; it is \$100,000. But the minimum paid is the same as for trust companies, namely, \$50,000. Before either a new trust company or loan company may commence business the present acts require that at least \$250,000 capital must be subscribed, and at least \$100,000 paid.