

took place in committee, because it would not be in order to do so; but, with all due respect, I may say I am firmly convinced that the House of Commons did not have a clear understanding of the effect of one of these amendments. There was a general disposition on the part of the House of Commons to object to Lloyd's being relieved of the necessity of making a deposit when seeking a federal licence, such an exemption not being granted under the Bill to other British companies. As we learned from statements appearing in the press, that was the principal objection of the commoners, and it was met by the amendments now before us. However, one amendment went much further. We are legislating to control British companies, but one organization is excepted. I think the other House, as well as a number of members of this Chamber, will be surprised to find that Lloyd's, being now freed from obligations to which other British companies are subject, are not only removed from federal control, but inferentially are allowed to do business throughout Canada under provincial authority. Furthermore, they are now deprived of the opportunity of coming to the federal authorities for a licence.

It has been said, and will be repeated, that Lloyd's have already obtained licences from one or two of the provinces and can obtain them from other provinces, and the Privy Council has declared that the provincial authorities have the right to grant licences to insurance companies. Yet under our jurisdiction in bankruptcy and insolvency we claim to exercise control over British companies doing business in Canada. If we have such control it should be applied to all companies, and it was for this reason that I moved in committee for the restoration of control by the federal authorities over all British companies, including Lloyd's.

I would point out to the Government and the public that although the amendments are intended by the House of Commons to place all British insurance companies on an equal footing by withdrawing from Lloyd's the privilege conferred on them by the Bill as it left this Chamber, Lloyd's are now given permission to roam at large throughout the Dominion, doing business without any federal control whatever. It is against the granting of a privilege to one organization that I register my protest. I do not intend to test the opinion of the Senate by again moving the amendment which was rejected in committee, because the right honourable leader (Right Hon. Mr. Meighen) has said that he could not accept that amendment in the name of the Government.

Hon. Mr. DANDURAND

Hon. Mr. CALDER: May I ask the honourable gentleman a question? I do not quite understand the working out of the insurance law as between the Federal Government and the provincial governments. I understand from the statement just made that Lloyd's may now take out a licence in each province in Canada and do business in each under the law. My question is this: Do not the provinces which exercise the right of granting licences exercise some measure of control and supervision over the companies to which they grant licences? Or has it been left entirely to the Federal Government to supervise the various companies that have taken out a federal as well as a provincial licence?

Hon. Mr. DANDURAND: There are but three provinces that have insurance departments, which are working satisfactorily: these are Ontario, Quebec, and British Columbia. The other provinces maintain no such superintendence and trust to the well organized federal Department of Insurance to exercise control.

Right Hon. Mr. GRAHAM: Honourable members, my chief objection to this amendment has been more than well expressed by the honourable leader on this side (Hon. Mr. Dandurand). The difficulty is that Lloyd's could not take out a licence for the whole of Canada, even if they wanted to do so. The authority which the Minister had under the old Act to issue such a licence is to be cancelled and Lloyd's will be able to operate only through provincial machinery.

Hon. Mr. CALDER: May I ask the right honourable gentleman a question? I understand that in the past Lloyd's could apply for and secure a federal licence, although their organization was such that the necessary deposit could not be made. Am I right in that?

Right Hon. Mr. GRAHAM: Partially, but not altogether.

Hon. Mr. CALDER: There was some discussion on the Bill, and I understood that Lloyd's, instead of being a corporation, were some kind of peculiar organization which could not comply with the requirement to make a deposit in Canada. What I should like to know is how they were able to get a licence in the past if they could not make that deposit.

Hon. Mr. DANDURAND: I understand that they have obtained a licence from the province of Quebec, but I very much doubt that they made a deposit. Lloyd's are composed of a number of groups of individuals. The State of Illinois insisted on a deposit