

I aged a little during my five years of office, but that was not because of any hard work that I had to perform here. Honourable senators, you made my task easy, and I thank you, Mr. Speaker, for your reference to my birthday, and for your good wishes.

**Hon. A. J. Brooks:** Honourable senators, may I associate myself with His Honour the Speaker in congratulating the honourable senator from La Salle on his birthday. I do not know what his age is, but he certainly does not look it, whatever it is!

## APPROPRIATION BILL No. 6, 1962

### THIRD READING

**Hon. A. J. Brooks:** Honourable senators, before moving third reading of this bill I wish to report that I have the answers to certain questions which were asked by honourable senators, and as they are quite lengthy I would ask leave of the Senate to have them incorporated in *Hansard*.

**Some Hon. Senators:** Agreed.

*For text of answers see Appendix, p. 137.*

**Hon. Mr. Brooks:** Honourable senators, I move third reading of Bill C-63 now.

Motion agreed to and bill read third time and passed.

## DIVORCE

### REPORTS OF COMMITTEE—ORDER STANDS

On the Order:

Resuming the debate on the motion of the Honourable Senator Roebuck, Q.C., seconded by the Honourable Senator Haig, for adoption of the Reports Nos. 2 to 306, both inclusive, from the Standing Committee on Divorce.—(Honourable Senator Pouliot).

**Hon. Jean-François Pouliot:** Stand until tomorrow.

## EXPORT CREDITS INSURANCE ACT

### BILL TO AMEND—SECOND READING

The Senate resumed from yesterday the adjourned debate on the motion of Hon. Mr. McCutcheon for the second reading of Bill C-63, to amend the Export Credits Insurance Act.

**Hon. A. K. Hugessen:** Honourable senators, I think we are all indebted to the Minister without Portfolio for the clear explanation that he gave of Bill C-63, an Act to amend the Export Credits Insurance Act. This is an interesting act and it has an interesting history.

The original Export Credits Insurance Act was first enacted in the year 1948. At that time its primary purpose, I think we may say, was to set up a corporation to insure Canadian exporters against loss on exports of Canadian goods to foreign countries, for which purpose the corporation was authorized to issue policies, and the basic feature of that function of the corporation was set out in section 13 of the act, which is still in effect. It says:

The corporation may for the purpose of facilitating and developing trade between Canada and any other country, enter into a contract of insurance with an exporter to insure him against any risk of loss in connection with the export or an agreement for the export of goods by reason of the failure of the exporter, for any cause not avoidable by the exporter, to recover the selling price of the goods.

It was provided in section 14 that the corporation could issue contracts of insurance pursuant to section 13 to an amount which would permit its liabilities under such insurance contracts to reach a total of not more than ten times the aggregate of the amount of the paid-up capital and surplus of the corporation.

At that time the capital of the corporation amounted to \$5 million and all of that was taken up and paid for by the Government, in addition to which the Government subscribed an additional \$5 million which was credited to capital surplus. So that the corporation started in those days with a capital and surplus of \$10 million, thus permitting it to undertake insurance contracts under which its liability would not exceed ten times that amount, that is, \$100 million.

That amount was increased by statute in 1954. The then authorized capital of the corporation was increased by \$10 million of new stock, all of which was taken up and paid for by the Government, thus making a total capital and surplus of \$20 million, and increasing the amount that it could insure, and the liabilities it could undertake under insurance policies, to \$200 million.

That capital remains as it was, and the only purpose of the first amendment in this bill is to make quite clear, as the minister explained, that the term surplus is to be confined to the capital surplus of \$5 million which is there already, and that the obligations of the corporation under its insurance policies cannot be increased by ten times the amount of any further surplus it may happen to earn. Incidentally, I understand that the corporation has been very successful, and at