

particular reason why the British North America Act could not be overcome in other spheres than that of commercial insurance.

Mr. EULER: Being merely a layman and not a lawyer I should like to have a point cleared up, if possible. I understood the Prime Minister to say that despite the decision of the privy council, companies incorporated by dominion statute, British companies and foreign companies, especially mutual companies, are still under the complete jurisdiction of the dominion. Am I correct in that statement?

Mr. BENNETT: No. Of course, with reference to companies incorporated by dominion statute, this parliament can impose such conditions as it pleases with respect to the granting of a charter, but the actual business is solely and exclusively within the jurisdiction of the provinces. The last decision makes that clear. For instance, being property and civil rights, the insurance contract between the company and the insured is regulated by the laws of the province in which the contract is made, but the status of the company is entirely determined by this parliament. Then you come to foreign companies. It is perfectly clear, as the legislation will indicate, that a foreign company may register in a province, but we and only we have the jurisdiction to deal with it, as we have the authority to deal with aliens under section 91 of the British North America Act. I believe the particular subsection is 23, though I am only speaking from memory. That power to deal with aliens gives to us, and to us only, the power to deal with foreign companies from that standpoint. Have I made myself clear?

Mr. EULER: Yes, thank you. I just wish to ask this further question: Take a foreign company, for instance, and I think the ones most discussed were the mutual companies of the New England states. I understand the Prime Minister to say that they may still register in any province, and therefore they can go on and do business. Then has the dominion any jurisdiction; can this parliament say "You shall not do business in this province?" Can we, for instance, over-rule the provinces in the matter of registration?

Mr. BENNETT: I am afraid my hon. friend did not follow my remarks, or I did not make myself sufficiently clear. With respect to foreign companies we assert that we have exclusive jurisdiction, and not the provinces. I see my hon. friend from Hants-Kings (Mr. Ilesley) has looked up the British North America Act. Could he give me the subsection dealing with aliens?

Mr. ILSLEY: It is subsection 25 of section 91.

Mr. BENNETT: Thank you. If my hon. friend from North Waterloo will observe the provisions of section 91 he will see that it states that "the parliament of Canada shall have exclusive jurisdiction," just as section 92 confers exclusive jurisdiction upon the provincial legislatures. For the purposes of law a corporation is in the same position as an individual with regard to section 91, and such a company registers under our statutes.

Mr. EULER: Then as a matter of practical application, if a foreign company chooses to do business in any province of Canada must it first approach the dominion, or can it approach the provincial government?

Mr. BENNETT: Our submission is that, being an alien company, it must first deal with the dominion.

Mr. EULER: Then if the registration is accepted, or if the dominion agrees that it may do business, the registration is made in the province, and does the company then fall under the jurisdiction of the province in regard to the conduct of the business?

Mr. BENNETT: So far as business is concerned, interpreting the judgment as learned counsel have interpreted it, we have no power to regulate or control business, whether transacted by a foreign or by a domestic company. If the foreign company receives status here, as under our law with respect to aliens it must, then of course it is at liberty to deal with the question of the terms upon which it may transact business in the province, under the exercise of power by the province, as is the case with any other company, domestic or foreign. The question of the transaction of business is under the regulation of the provinces.

Mr. EULER: In all cases?

Mr. BENNETT: Yes.

Mr. CAYLEY: Just a question with regard to the matter of inspection, to which reference has been made. The minister spoke of the question of inspection as it had to do with the forty-eight states of the United States. I wanted to ask this question: Is it possible that we have nine different inspections of all companies doing business throughout Canada, or is it the fact that one inspection is made, and the other authorities accept the report of that inspection?