

writers to insure that \$1,000,000, the Canadian Government should assume and pay for the repairs or the loss of that particular vessel. Then their risk would commence outside of Cape Race. We would practically be insuring the vessels within our own limits, and I believe the country would be saved a great deal of money had they done so. Now, we wanted to find out what those repairs would cost, because the claim was that the vessels damaged by grounding in the St. Lawrence, and their repairs were made in England, and they had very large claims made. Well, I know that they did occur; we have had vessels, but we never found out how much they cost, or how much the underwriters paid. But if we paid for the repairs, even over one year, we would then know what it cost; and over an average number of years we would save a great deal of money, because we would have equal rates with competing points. Mr. Brodeur and Mr. Stephens at that time, while at first they didn't understand, said, "If your figures are correct"—I said I would not guarantee them, but I think they are as good as can be made—"I think we pay them \$3,000,000, and they are making \$1,500,000 profit out of their extra insurance, and I don't think they are justified."

By Hon. Mr. Willoughby:

Q. I suppose there is no commercial possibility of Canadian companies undertaking that insurance?—A. It would be too large. It must be spread over a large number of people. Attempts have been made to do an underwriting business in Canada, but unless the risk is taken on a large amount, say up to \$1,000,000 on a ship and cargo, and that is covered, there is no reason at all why the country or the individuals could not establish a Lloyds in Canada and do the business; but whether it would be a commercial success or not would be a question.

Q. The difficulty would be to spread it over a wide enough field?—A. Yes.

Q. Do you know anything about the insurance on the lakes?—A. They pay a large premium, but the risks have been very considerable on the lakes, and the losses pretty considerable in previous years, although to-day they are not anything like they were years ago.

By Hon. Mr. Bennett:

Q. It is covered from the United States?—A. No; it is written in the United States, but for English accounts. Nearly all the insurance on the Great Lakes, while it is written in Cleveland and New York, 90 per cent of the insurance is covered by Lloyds, as I know.

By Hon. Mr. Bostock:

Q. How do you account for that?—A. Well, there are companies, the largest being in London, and they have had the marine insurance of the world in their hands for years, and they are likely to continue it, because they are best equipped, and they know what their losses and risks are, and they make the rates very low in comparison. The premium percentage is very low. Taking a boat like the Mauritania or the Lusitania, or a big boat like that, it was a very small fraction because the amounts they were writing were so large and the risk of accidents so small. Up to a few years ago those boats like the Titanic were considered good insurance risks, but they always gave us a black eye in the St. Lawrence.

By Hon. Mr. Bennett:

Q. Is that old channel of a uniform width?—A. Yes.

Q. About what is that width?—A. 400 or 500 feet. And there were very bad wide curves in the St. Lawrence which it was not possible for a boat over 400 feet to manoeuvre around, but those curves have been straightened.

Q. I was referring to where there was a dredged channel 50 miles below Quebec?—A. It is only in spots.