

volent societies should be placed on the same footing. A number of other benevolent societies throughout the Dominion are able to do business under a Dominion charter, and the Sons of England society are simply asking to be at liberty to do business on the same basis. No remedy can be found to deal with societies of this nature until a general law is passed, and until that is done the Sons of England should be allowed the same privileges as other fraternal societies throughout the Dominion.

Mr. SUTHERLAND. I am going to vote for this Bill, and I wish to offer a few remarks to the House. I agree with what my hon. leader (Sir Richard Cartwright) said with regard to protecting the people in insurance companies, yet I disagree with him in one material point in reference to the legislation which is now asked for. I object altogether to having these benevolent societies coming under the Insurance Act so far as making a deposit is concerned, for we know well that their rates are not sufficient to provide for the reserve required by companies that are licensed. While they are under inspection by the department, yet when they are issued a license, every one who knows anything at all about insurance knows that these companies are not charging a sufficient rate to provide the reserve. As I said in committee, I do not believe that any of these associations that have been incorporated by this Parliament should be allowed to do business under the General Insurance Act. But, Sir, having incorporated these companies, I agree with the hon. gentlemen who have spoken, that there is no reason why they should not be allowed to do business, and yet I differ from the Finance Minister and his department, as I do not think they should be issued a license to do an insurance business and allowed to make any deposit, because as my hon. friend put it, the Act of incorporation itself gives them a standing in the country that they should not have, but it makes it a great deal worse when they receive a license to do business, and are able to say to the public that they have a deposit and are in the same position as ordinary and regular insurance companies, when they are not. Under all the circumstances I propose to vote for this Bill.

Mr. McMULLEN. I do not think that we ought to go on chartering companies of this kind simply because we have done so in the past. We have an inspector of insurance, to whom we pay a large salary in order to furnish us with information on the question of insurance companies, which will enable this House to act in the general interest, and we ought to be very careful before we legislate contrary to the information thus obtained. The hon. member for Leeds (Mr. Taylor) argued that these companies only charged small premiums, which in reality

only covered the risk for the year, but we know that there are many who contribute from year to year and look forward to their heirs obtaining a certain amount at their death, and we should be very careful to do what we can to prevent such people being disappointed. We know what great hardships have resulted from the collapse of the Massachusetts Mutual Insurance Company, which absorbed in its downfall another Canadian mutual company, and we have heard rumours recently of financial embarrassments gathering around certain mutual associations supposed to be very powerful. Some of these companies have largely increased their rates, and many of their members have in consequence ceased contributing, having lost confidence. When we give a Dominion charter to one of these companies, we place it in a position of being able to go before the public and point to the fact that it has obtained such a charter, and consequently must have met the approval of the insurance department of the Government. This in itself will be looked upon as a guarantee of the soundness and responsibility of the organization, and therefore should not be given without most careful consideration. I have no objection whatever to encouraging mutual insurance companies, but while we have a department of insurance and an inspector of that department, we ought to be guided in a great measure by their reports. I believe that the insurance inspector has declared that the financial basis on which these companies stand is not sufficient, and that consequently those who join them in the expectation of being able to leave at their death a certain sum to their families, may not find their wishes realized. At present there is about \$50,000,000 of insurance in fraternal associations in Ontario alone. No one would say that we should go on receiving further applications for associations of this kind without attempting to exercise some control over their operations and protect the public, as far as possible, against the collapse of such societies. The hon. member for Leeds (Mr. Taylor) spoke of families that would have been turned out on the road without a cent, had it not been for the fact that the heads of these families belonged to some of these associations. While that is the case, I believe there are as many other families who have been seriously disappointed owing to the fact that they were unable to collect from those associations the sum they hoped to be able to receive when overtaken by misfortune. I think it would be well that the Government should at once introduce a Bill that would reach all those associations and place them all on an equal footing. That is unquestionably desirable; and if this Bill now before the House be passed, I hope the Government will come down not later than next session with a measure dealing with all mutual insurance companies, and which will have the effect