

Private Bills

legislation. I believe it would be unfair to introduce it into these two bills now, and I shall vote against the amendment.

Mr. Macdonnell: I should like to associate myself with the remarks made by the hon. member for Parry Sound-Muskoka. I also was on the committee which had the advantage of hearing a report from the very able superintendent of insurance who had looked into the whole situation. I think everything said by the hon. member for Parry Sound-Muskoka is true.

Why should we now, without any valid reason that I have heard, introduce this restriction which surely in effect will be discriminatory, as described by the last speaker? For that reason I should like to echo what the last speaker has said, and unless there is a sound answer to that it seems to me it would be utterly impossible for us to accept this amendment.

Mr. Winch: Here is another fact for consideration. It is most unfortunate that we have no record of the proceedings in the committee on banking and commerce. There is no transcript. I do not know why, but there is none. Therefore I think I should put certain matters on record.

I should like to ask a question which I asked in the committee, a question which the hon. member for Greenwood knows I asked. Since this company intends to operate only in Winnipeg, in the province of Manitoba, why has it felt it necessary to ask for a bill of this kind through the House of Commons and not get a bill through the provincial legislature of Manitoba? In asking that, I realize Manitoba is one of the provinces which will not issue any licence of this kind by letters patent, but from my reading of the bill the people concerned do not intend to operate outside Manitoba whatsoever. But if Manitoba does not issue letters patent, it can issue a bill through the provincial legislature; and I ask why these people ask for a private bill from the House of Commons when they could get the same thing in Manitoba? I repeat that I only ask this question now because there is no transcript of the proceedings in the committee on banking and commerce.

Mr. Smith (Winnipeg North): The hon. member has raised two points, first with regard to the family connection and second, with regard to the procedure involved in incorporating this company. I am sure the hon. member will recall that the procedure for incorporation of companies of this nature in the province of Manitoba was explained quite fully in the committee by Mr. MacGregor, the superintendent of insurance.

Some years ago the province of Manitoba had an unfortunate experience with regard to companies of this nature and companies of other natures in this field, acceptance companies and so on, which had to be wound up and which resulted in a substantial loss to a great many citizens in the province. I do not know if it was due to inadequate policing or inadequate regulations, but I do know that since that time the province of Manitoba has asked, as I said earlier, to have federal inspection of companies operating in this field within the province even though they are not subject to federal inspection. Also since that time the government of Manitoba has been very reluctant to incorporate companies in this field, either by letters patent or by private act of the provincial legislature, because they have taken the view that if these companies are subjected to federal inspection then they should be incorporated by federal act of parliament.

There is also the point that even though at present a company intends to operate only in Winnipeg it may find in the not too distant future that it wishes to operate in other provinces such as Ontario and Saskatchewan. Because of the difficulty of incorporating in Manitoba they must incorporate in the Dominion of Canada, and this not only gives them a wider field of operations but it also gives them the prestige of being dominion companies.

With regard to the family tie up, I do not think I need to go into that in any detail. I do not think my brother and I are in the same business, and even if we were I do not think anyone could tell me I was running his affairs or he was running mine. The sponsor and petitioners in each bill are inter-related by marriage, but it is also true that they are outstanding families. The Schwartzs and the Arkins are outstanding families in the city of Winnipeg, and from their common start they have branched out into their own businesses. They have each set up acceptance companies in order to facilitate their transacting business in various fields; and now each of them, at the same time, is applying for a licence under part 2 of the Small Loans Act to incorporate a small loans company.

I discussed this with the department of insurance as I was quite sure that hon. members who knew of the family relationship would wonder why they were doing this simultaneously. The department of insurance informed me they had the same thought in mind, and made a very thorough investigation in order to determine whether or not there was anything being done that should not be done. Having concluded their investigations, and I am sure all hon. members