

ferred with the insurance business, but I do know of a place in New Brunswick where the thing has almost reached a scandal, that is about the mildest word with which I can characterize it. I know of cases where bank managers, who are insurance agents, are compelling people to insure for more than their properties are worth, or for more than it is necessary to carry under reasonable conditions. There is one estate, for which I am the solicitor, a lumber business, that has been insured almost out of existence, simply because the estate is unfortunate enough to owe the bank, and the bank manager runs the insurance end of it. It is a case of policy after policy without our consent or advice; we do not know anything about it, and we are paying thousands of dollars a year on insurance. That is a condition of affairs of which I know something. I do not want to take the bread out of any man's mouth; I would be the last man in the world to interfere with any man's legitimate business. I quite agree with what has been said by the Minister of Finance, it might be a hardship in many cases. But surely the great banking institutions of this country can afford to pay their managers a sufficient salary on which to live without taking away the legitimate business of other people, because every bank manager doing insurance business is taking away business from other men. It is just as necessary to have an insurance agent in the town as it is to have a bank; we cannot get along without insurance, and I think the legitimate insurance business should be encouraged, not only by everybody throughout the country but by Parliament as well. Our ordinary business intelligence teaches us that the bank manager carrying on insurance business has an enormous advantage over the other insurance agents in the town. I do not say that many of them carry it on to such an extent, but they can practically control the insurance business in the town, and force it into their own hands. Three or four banks acting as insurance agents in one town could absolutely corral all the insurance business of that town. However, I have not much feeling in regard to this matter, and I do not care personally whether the clause is stricken out or not. The matter was put up to me by the people from different provinces, and I thought it my duty to bring it before the committee, because it seemed to me a reasonable proposition. It was so reasonable, that only three or four members of the committee voted against it, and the Minister of Finance was the strongest advocate of the amended clause. I see that the bank managers have been getting busy since.

Mr. OLIVER: They have got their second wind.

Mr. CARVELL: Evidently they have been getting busy all round. They have not confined themselves to the Minister of Finance, they have been directing their energies to this side of the House as well as to the other. I will not feel it very badly if the proposed legislation is defeated, but I think it should not be defeated, because I think it is right in principle. I believe those bank managers should not be allowed to do insurance business, because they are taking away the business from other people who are entitled to it, and in several cases they are in a position to exercise an undue influence on the business affairs of the community. So far as I am concerned, I will vote for the retention of the sub-section.

Mr. NICKLE: When the hon. member for Carleton introduced this amendment in the committee, I was particularly struck with the logic of his argument, and though I had no previous conviction in regard to the matter, the tendency I had, after the hon. member for Carleton, N.B., had spoken, was accentuated on my hearing the argument of the Minister of Finance in favour of the insertion of this clause in the Bill. If, as the Minister of Finance says, the principle of this sub-section is right, I fail to see why we should hesitate to interfere with a so-called vested interest. If this committee and this House are going to take the stand that wherever a vested interest is affected, no matter what unfortunate situation might exist, we shall not pass any legislation at all, I think that Parliament might as well abrogate its functions. If I understand the functions of this House and of this committee, they are to remove an error if an error exists, and for that reason I am with the hon. member for Carleton in the opinion that this clause, inserted almost unanimously in the committee, should be retained.

Mr. OLIVER: The matter resolves itself into something like this, that the banks of Canada are able to relieve themselves of a portion of the proper charges of carrying on their business by the privilege given to their managers of entering into a side business. If the managers are prevented from doing outside business such as insurance, the banks will surely have to raise the salaries of those bank managers. There is no reason why the banking institutions of Canada should not pay a living wage to the men who are carrying on their business. This privilege relieves them of that responsibility, and I do not think the purpose of Parliament is fulfilled by that course.

Mr. WARNOCK: Now that so much attention has been drawn to this matter, I