

tection of the public. I venture to say that before many days are over there will be a rude awakening and some of these companies will go to the wall. Are we going to wait until there is some such disaster as the collapse of the Home Bank before we take action? The minister ought to take steps to bring this act up to date; there is a demand for it all over Canada. There should be an audit of these companies; there should be control over the rate of interest charged and there should be some revision of the vast powers they have to confiscate property by foreclosure, and so on. Expensive legislation is put upon the second mortgagee under the present procedure. The law requires the first mortgagee to notify the second mortgagee in due course and give him a chance to redeem, but this is not always done. I was speaking to a parish priest yesterday in the constituency of a member of this House and he mentioned a case where a second mortgagee had not been so notified by the first mortgagee, with the result that the loan company foreclosed and it cost him \$200 to get the thing straightened out. These companies should be put under proper control, not only as to rates, but as to many other matters.

Mr. ROBB: I will take my hon. friend's observations into consideration. The act was revised in 1922. These companies are not earning excessive dividends; I notice that the paid up capital and reserve combined is something over \$39,000,000, on which they paid \$2,135,000, on the average a little under 6 per cent.

Mr. MACLEAN (York): Do any of these companies take deposits?

Mr. ROBB: Oh, yes.

Mr. MACLEAN (York): I want that point brought out.

Section agreed to.

Resolution reported, read the second time and concurred in. Mr. Robb thereupon moved for leave to introduce Bill No. 174, to amend The Loan Companies Act, 1914.

Motion agreed to and bill read the first time.

#### INSURANCE ACT, 1917, AMENDMENT

Hon. J. A. ROBB (Acting Minister of Finance) moved that the House go into com-

mittee to consider the following proposed resolution:

Resolved, That it is expedient to amend the Insurance Act, 1917, and to provide,—

1. That there shall be a department of the government of Canada to be called the Department of Insurance over which the Minister of Finance shall preside, and the Governor in Council may appoint an officer to be called the Superintendent of Insurance who shall be the deputy head of the department and hold office during pleasure. Such officer shall be paid such salary as may be authorized by law, and perform such duties as are prescribed.

2. That the Superintendent of Insurance shall annually ascertain and certify the total amount of the expenditure incurred by the government for or in connection with the administration of the act during the last preceding fiscal year, and the total amount of gross premiums received in Canada during the last preceding calendar year by each company licensed under the act and by each company not licensed under the act but transacting life insurance business thereunder, deducting the amount of the dividends paid or allowed by each such company to its policy holders in Canada during the said year, and the findings of the superintendent so certified shall be final and conclusive.

3. That thereupon the superintendent shall ascertain the ratio or percentage which the total expenditure so found and certified bears to the aggregate of the net receipts, aforesaid, and shall assess each of the companies an amount equivalent to that percentage of the gross premiums received in Canada, less dividends, and such assessment when certified by the superintendent, shall be binding upon the said companies, and be final and conclusive.

4. That the amount so assessed against each company shall constitute a debt payable to His Majesty and shall be payable upon demand of the Superintendent, and may be recovered as a debt in any court of competent jurisdiction.

Motion agreed to and the House went into committee, Mr. Gordon in the chair.

On section 1.

Sir HENRY DRAYTON: What is the real effect of this resolution? We now have a Superintendent of Insurance, and he is a very capable one. What is the idea of making the changes here?

Mr. ROBB: It is simply to bring the wording in conformity with that respecting other departments.

Sir HENRY DRAYTON: There will be no change?

Mr. ROBB: Practically the only change is that the statutory limit to the salary is struck out.

Sir HENRY DRAYTON: I do not see why the Superintendent of Insurance should not have just as much right to the salary as any other deputy; he has been performing the duties of deputy for a long time. Is there any other object than to remove him from that disability, a course which I do not object?