

Mr. MEIGHEN: If we keep on, notwithstanding anything we do there is sure to be trouble, and when that trouble comes are we not going to be in a position where we cannot answer the demands of the debenture holders to be recouped by the Dominion of Canada? In a word, what need we care? If there is one class of people in the world who are able to look after themselves it is the money lenders. Had we not better keep out and let them look after themselves, rather than make provision that will involve increase of staff, the final object being only to pile greater and greater burdens on our own shoulders?

Mr. ROBB: There is no intention of increasing the staff; it is just a question, as I said before, of distributing the cost. It was determined in the amended act of 1920 what were the liabilities and what should be the nature of the report submitted to the department. I find in the statement of liabilities in the schedule to the act that the very first item is marked, "Liabilities to the public; amount of debentures or debenture stock issued and outstanding." We require that, and my hon. friend will recognize that debentures are regarded as a liability to the public. We are not rescinding that; we are not changing, enlarging or reducing it.

Mr. MEIGHEN: The minister has made no answer at all. Even if the act were passed in 1920 we still have the question before us, are we going to continue the principle there adopted? I do not admit, though, that the minister has shown that the principle was there adopted. It may be quite right that returns should be made to the government of debentures outstanding; we need to know that. But we do not need to know it for the sake of looking after the debenture holders. The minister will not deny that his department has assumed that duty of superintending, inspecting, demanding reports and all the rest of it, with a view to seeing that the debenture holder does not lose any money. I am under the impression, and I do not care whether I am right or wrong, that the amendments made after this government came in had that object in view. But for the sake of argument, I will let the minister assume they were made before. If they were made before, does the minister not think we ought to discontinue, and the sooner the better?

Mr. ROBB: I would not admit that. It would be admitting that my right hon. friend was wrong in 1920, and of course I would not like to do that.

Mr. MEIGHEN: If that will help the minister, let it go at that. But surely he will come to the point: Why should we continue if it is wrong? I think the amendments were made since, but let that go. Goodness knows it is enough for us to look after the public of Canada. The depositors are the only people we need to look after in relation to these companies; that is the way it appears to me. Once we have done that let us be done with it and let the other people look after themselves.

Mr. ROBB: Well, we advertise to the world that we have government inspection of these companies.

Mr. MEIGHEN: Very lately. When did we advertise that?

Mr. ROBB: In the act of 1920.

Mr. MEIGHEN: We are not advertising in Scotland. Our public here know we have inspection. That is what is intended.

Mr. ROBB: Have we not some obligations to investors in securities of this kind in Scotland as well as to our own people?

Mr. MEIGHEN: No, I do not think so.

Mr. CHURCH: Since the passage of the act of 1914, in which the functions of trust and loan companies were set out, owing to the way in which lawyers draw agreements trust companies to-day are doing a banking and all kinds of business, a real estate business, and so on. It was in 1913-14 that this whole act was revised by a select committee of parliament. Why should not this resolution go to the Banking and Commerce or some other committee? They had an investigation in the United States into the matter of trust companies and it was found that those companies were fulfilling functions which had never been intended by the senate or by congress. They were going into the banking business, the railway business, the real estate business, and generally entering upon activities which were not contemplated in the acts under which they operated. Are we going to wait until another disaster like the Home Bank occurs before we take action? I contend that the acts respecting trust companies, loan companies and insurance companies, should be revised to protect the public—in addition lapsed policies of insurance cited in the inspectors report are revealing a state of affairs which should not exist in Canada—these whole resolutions should be referred to the Banking and Commerce committee, together with this Trust Company resolution,