

Private Bills

obtaining letters patent from the provincial legislature. However, the history in Manitoba is somewhat different. The policing of these companies in this field, as a result of an unfortunate incident many years ago, has been by the director of insurance under the federal authorities. The Manitoba government, therefore, discourages the incorporation of these companies on a provincial basis. They take the view that if these companies are going to be policed by the federal authorities, then they should be incorporated by the federal authorities. This is the main reason incorporation is sought by an act of parliament at this time.

There are a great many companies operating in this field, but only five are incorporated by an act of parliament. If this bill is passed, and the next one on the order paper, there would be seven such companies. In view of the fact that Winnipeg is one of the more progressive areas in Canada, and in view of the fact I have not had an opportunity of determining exactly the effect of this amendment on the operations of this company, as well as the fact that this is a family corporation and in all likelihood will remain so for years to come, I do not feel this amendment is necessary. However, since this is a private bill and I do not wish to waste the time of the house as did the incomparable member for Essex East, if the majority of the members of the committee feel this amendment is necessary then I am sure that those who seek incorporation would be willing to accept it. However, I would point out to the committee that if the situation of this company changes in subsequent years it will be necessary to amend the act to allow for directors other than those covered by this amendment.

Mr. Winch: I find myself in a very peculiar position because I was a member of the banking and commerce committee which studied these bills. The circumstances surrounding these bills are so strange that I have never come up against them before. I would ask the sponsor of this bill, and the following bill, to make a very emphatic declaration in this House of Commons. Strangely enough, Mr. Chairman, it is not possible to refer to the one bill without making some reference to the other because we have an extraordinary situation which came to light as a result of the reference of these bills to the banking and commerce committee.

Upon investigation in the committee we found that the incorporators of this small loan company were named Schwartz, Schwartz and Schwartz, that is, a husband, wife and son, and the incorporators of the other company which will be before us will be engaged in exactly the same business and are

related by marriage. I did my best in the committee to find out what the interrelationship was. I am sorry, sir, but I find I am in a position where I cannot understand why two private bills come before this house, both from the same city, both for the same purpose and the incorporators of these companies are interrelated by marriage. Certain affirmations were made in the committee but, in my opinion, it is just too coincidental that this should occur.

There is no transcript of the proceedings of the banking and commerce committee. I do not know the reason for this, but there is no transcript available. Because there is this interrelationship between the two bills in so far as the type of business is concerned and the relationship by marriage of the incorporators, I feel there should be a statement made in this house to assure hon. members that there is no collusion and no business relationship and to explain why we should have these two bills from Winnipeg at the same time. I agreed in committee that the bills should be sent forward to this house, and I think the hon. member will understand why. I ask that the explanation be given here, because there was no transcript of the committee proceedings.

Mr. Aiken: I was a member of the committee which examined this bill and the other bill. I agree with the hon. member for Vancouver East that we examined these bills very closely, and the hon. member asked a good many questions about the relationship of these parties and their intentions. The principle of this amendment is not one to which I could object, because it is desirable that so far as possible directors of companies should be Canadian residents. However our present difficulty is that we have already passed the bill in committee and the problem was not raised there.

Now at the last moment we are asked to consider an amendment which we have not had time to study fully. There was a question of law raised in connection with the other bill, but I understand we now have an answer to it and can proceed with that bill. However in regard to this bill there is the difficulty that if we incorporate the amendment that is proposed, even if we incorporate it in both bills, it would be a matter of discrimination against the people to whom these two bills apply, discrimination which does not apply in the case of many other private bills now on our statute books.

I believe the proper approach would be a general amendment to bring all private companies under an identical type of restrictive