

Mr. GIROUARD. That amounts to the same thing—that the Bill has come from the committee on Banking and Commerce and we have no right to amend it. At the last sitting of the committee on Banking and Commerce I moved this very amendment, but as the Bill had been already much amended and contained many erasures, it was agreed my amendment should be renewed in Committee of the Whole House. The companies had opportunity of being heard then, but they said nothing, and in fact from what I heard from those parties representing assessment companies who were present, they had no objection to this clause. As a matter of fact, whether they had objection or not, we have heard enough during the discussion this afternoon to show that this system, which, according to the Superintendent, is only experimentally, is very dangerous and should be guarded by all restrictions that the House may find necessary for the protection of the policy holders. We have found it necessary to provide, as far as American assessment companies are concerned, that death claims shall be the first charge; that no portion of the money shall be used for any expenses, that a clause shall be printed in different colored ink, in these words: "This association is not required by law to maintain any reserve." If these clauses are necessary for the protection of policy holders holding American policies, I do not see why they are not necessary for the protection of policy holders, when they hold Canadian policies. If these clauses are good as far as American companies are concerned, they are equally as good as far as Canadians are concerned. The hon. Minister says then there will be no difference. There will be a great difference; the deposit of \$50,000 is not required from the Canadian companies, but is from the American companies; and really no good reason has been advanced by the hon. the Minister to show that these conditions, which I believe are necessary to prevent confusion in the public mind, and which are held to be good as far as American companies are concerned, should not apply equally to Canadian companies.

Mr. DAVIES. The restrictions in the 5, 6 and 7 subsections which the hon. gentleman proposes to apply to Canadian assessment companies, were inserted in the committee for the protection of the policy holders, and I think myself that a large number of those who voted in the committee believed that they applied to all assessment companies. I think the amendment is a proper one.

Mr. IVES. This is not a matter of advantage to the companies, but a matter of protection to the policy holders. If it is necessary to protect our people in the case of foreign companies, it is certainly necessary to protect them in the case of our own companies. If there is any distinction between these companies and the companies on the old line, why should not the distinction be marked on the Canadian policies issued by Canadian companies? Perhaps the Minister of Customs will tell us what advantage Canadian old line companies enjoy over the English or American companies; they have to deposit and comply with the same regulations. I do not see what particular advantage the Canadian old line companies have over the English or Americans, that should justify our giving this extremely new-fangled system superior advantages to swindle the people which the American companies have not.

Mr. HALL. One of the clauses insisted upon by the committee was that no part of the assessment for death losses should be applied to expenses. There could be no better indication of the wisdom of the amendment of the hon. member for Jacques Cartier (Mr. Girouard) than the fact that a certain society in Montreal had an income of \$36,570, out of which they paid for death claims, \$4,619, their expenses being \$31,951; and the next year their total receipts were \$59,790, their death claims had increased to \$20,200, and their expenses were \$39,590.

That is a company that came to grief the other day in Montreal.

Sir RICHARD CARTWRIGHT. There is a strong reason, I think, at any rate, that clause 6 should be made applicable to all. I am, myself, in favor of the amendment of my hon. friend from Jacques Cartier (Mr. Girouard). The only guarantee against confusion amongst these companies is the declaration in clause 6, that every application policy and certificate shall have printed thereon the following words:—

This association is not required by law to maintain the reserve which is required of ordinary life insurance companies.

I doubt very much whether in practice that is a sufficient guarantee, but it is the only guarantee we have, and if that is to be forced on American or English companies, there is equal reason why the attention of policy holders should be called to it in the case of these other companies. Every possible attempt will be made by the insurance canvassers, of whom, no doubt, the House has had experience enough, and who are not the most scrupulous people in the world, but are as persistent a class of canvassers as you can find from one end of Canada to the other, to represent that these companies are just as good as the other companies.

Mr. WELLS. A great deal better.

Sir RICHARD CARTWRIGHT. My hon. friend does not go quite as far as one gentleman, who says this is a heaven-directed system for the protection of insurers; but, however this may be, if you do not extend this provision to the Canadian companies, no ordinary man will be able to distinguish between them at all. There is nothing to tell any man insuring what he ought to know, that these companies are conducted on a totally different principle from that laid down for those the Government has taken under its special care. We have had very special and very peculiar legislation on this subject, and there is no doubt that the public are by this time thoroughly aware of the fact that the majority of these old companies are under a rigorous system of Government inspection, and that they put dependence upon them for that very reason. In introducing this measure as it stands, I warn the Government that they positively give a premium to fraudulent canvassers—we will not say anything about the companies represented by such respectable persons as my hon. friend behind me—to conceal the real facts of the case, and I think it is a reasonable demand that they shall be required to show on the face of the policies that they are not conducted on the same basis as the other companies.

Amendment (Mr. Girouard) agreed to.

Mr. GIROUARD. I doubt very much whether you have jurisdiction in that matter. It seems to me to be a matter of procedure which belongs to the Local Legislature. The action must be taken in the county or district where the insured is residing. We have other modes of suing and I think it should be before any court of competent jurisdiction.

Mr. IVES. Surely, if we have jurisdiction over the subject of insurance, we have over the mode of carrying it out, and the amendment just carried is as obnoxious to the objection as this one.

Mr. GIROUARD. No. It ought to be any court of competent jurisdiction in the Province.

Mr. WELLS. I propose to move the following:—

No such association shall insert any provision in any certificate or policy preventing an action from being brought thereon in Canada, and if any such provision is so inserted, the same shall be void.

Mr. IVES. My objection to this is that the contract is made in New York, and the policy is issued there, and dated there, and therefore there would be nothing to give juris-