

tives that the Canadian national system of insurance is the best on earth, just as we believe the Canadian banking system to be the best on earth. That is the reason why I said when I began that I had hoped that under this group of sections in the bill we could possibly see some way of arbitrarily fixing a standard of excellence that would work for the common interest of both the companies and Canada. But I have reached after the most careful consideration, the conclusion that these sections, which attempt to arbitrarily set up this standard of excellence by confining the operations of the companies within certain fixed limits in the matter of expenses (Sec. 52); by preventing the use of reserve dividend policies and estimates (Sec. 87-90); by prohibiting bonuses, prizes and advances (Sec. 54 & 55); and by arbitrarily confiscating the proprietary interests of shareholders without regard to charter rights (Sec. 99 & 111), are inimical to the business as a whole and also to the interests of Canada. I desire to say a word or two as to the reasons which have led me to this conclusion.

In the first place it has been abundantly shown, that to introduce to-day this standard of excellence, if I may so use that term, will work unfairly among the different companies which operate in Canada. We have seen that we have young companies and old companies, we have low premium companies and companies with high premiums, companies issuing non-participating policies, and companies issuing participating policies, also companies just entering Canada. It has become apparent that it is impossible to apply this standard to such unlike conditions without working unfairly to some, so much so that it is proposed to exempt some of these companies from the operation of some of these sections of the Bill, as for example, young companies and companies doing non-participating business.

The second reason for my opposition to these sections of the Bill is that they bring about discrimination against our own Canadian companies in favour of foreign companies. The Honourable the Minister of Finance has admitted that it is impossible to apply this standard to the foreign companies. Is it fair to make a law which cannot be enforced against foreign companies? Is it right that we should adopt such a law restricting the home companies who are doing business in their own country when we cannot compel the companies which come in here to do business in competition with them to be governed by the same restrictions? What have the Canadian companies asked in the past? As a matter of fact the Canadian life insurance companies have asked nothing, all that these companies have desired is that they be allowed to go on and do business without interference. Almost all other great Canadian interests have come to this parliament to ask for protection or some other advantage. Never have the Canadian life insurance companies asked for any advantage. You have allowed the big American companies and the big English companies to come in here on the same terms as our own companies, you have allowed them to come in and compete in the most vigorous manner; what protection have our own companies had? None whatever. We do not ask protection. But we ask that you shall not pass a law which in its bulk effect will discriminate against our own companies as this Bill does. As you know the Bill provides in section 53 for a general limitation of expenses of Canadian companies, but when you come to apply this section to foreign companies, you do not apply it to their general expenses but to their branch office expenses. You ask in the schedules, page 65, for the most searching analysis of the whole business of Canadian companies, but when it comes to foreign companies you again apply your standard to the Canadian business of foreign companies. Of what value can such information possibly be when comparing a home and foreign company? You ask that a Canadian company shall hand over 90 per cent of its profits to its policyholders, but what do you ask in this matter when it comes to foreign companies? Nothing. Surely if it is seriously contended that this standard of excellence is necessary in connection with the \$60,000,000 of business annually done by Canadian companies, including their foreign business, it is necessary in connection with the \$28,000,000 done in Canada by foreign companies.

The next reason for my conclusion against the Bill is that it operates specifi-