

## TITLE GUARANTEE AND TRUST COMPANY.

House in committee on Bill (No. 99) to incorporate the Title Guarantee and Trust Company.—Mr. Campbell.

Mr. FOSTER. Before you take up section 9, it seems to me that whoever is responsible for the Bill should give us a little information with regard to it on two points. Have we been in the habit of incorporating trust companies with these powers and how do these powers compare with those given trust companies which are incorporated by a provincial legislature, for instance, by the legislature of Ontario? In the province of Ontario, I know, legislation with regard to trust companies has been pretty stringent and somewhat exclusive; in fact the late government adopted a policy of not incorporating for the present any larger number of trust companies than were there already. Their powers in Ontario are limited, and the restrictions put upon them are very considerable. Now I see you make a trust company here, then you add to that another function, that of guaranteeing titles in a very wide manner. I should like to have more information.

Mr. FIELDING. The hon. gentleman who is in charge of the Bill (Mr. Campbell) is not present at the moment. The matter was considered by the committee, and they found that this Bill was in conformity with the charters already granted by this parliament. I have not had in mind so much the practice of the Ontario legislature, but as this is entirely within the lines of charters already outstanding granted by this parliament, I see no objection to it.

Mr. FOSTER. Will the minister mention the names of trust companies which have been incorporated by the Dominion and are now doing business in the Dominion, that have these powers?

Mr. FIELDING. The Royal Trust Company is one I have in my mind, it is a very large company originating in Montreal, partly made up, I think, of gentlemen connected with the Bank of Montreal and other large institutions. They have, I am advised, all the powers that are given to this company.

Mr. FOSTER. The Royal Trust Company is rather a peculiar one, made up, as the Finance Minister has said, in part of the gentlemen connected with the Bank of Montreal or being an adjunct to that bank, although I believe it has large trust powers. But the trouble is this, that if capital puts itself into trust companies under a provincial corporation, of the province of Ontario for instance, and then pays its license fee to work in other provinces, there ought to be some care taken that this parliament should not step in and give extraordinary powers to a trust company which in the work of competition and business, would

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give it a large advantage over the trust companies which are incorporated by a province and which cannot get more than certain powers. Unless there is some very good reason that I do not see, it ought not to be done.

Mr. FIELDING. I have no special desire to press this Bill. But I fail to see that we are obliged, in passing Dominion legislation, to be governed by what may be done in any of the provinces. We might learn something of course from provincial legislation, if we can; but if we grant these privileges to one company why surely we must be prepared to grant them to other companies under equal conditions, and that is exactly what we are doing. Whether we are giving more or less powers than have been granted by a provincial legislature, is a question which I am not prepared to discuss, nor do I think it is very important to us.

Mr. FOSTER. Well, what will be the distinction between titles and trust companies, for instance?

Mr. FIELDING. I would call the hon. gentleman's attention to section 18 which reads:

The powers and authorities hereby granted to the company shall not have any force or effect in any province in any respect in which they are inconsistent with the laws of such province.

I do not know whether that covers entirely the point my hon. friend has in mind.

Mr. FOSTER. Would that cover the point I raised, that is, would it act as a bar to their doing business in the province of Ontario? For instance, suppose it is true that there are no trust companies incorporated by the province of Ontario that have these powers joined to a trust company, before you incorporate this company, does that section have the effect of making it impossible in the province of Ontario for them to carry out their business, quoad the guarantee of titles and the like of that? If that be the meaning, it meets the objection that I raised.

Mr. FIELDING. I would not like to say that it goes as far as that. That is quite a debatable point. But I would take that to mean that the general law of the province with regard to trusts, for example, would have to prevail; this company only could do business subject to the general law.

Section 8 as amended, agreed to.

On section 9,—business of company; guarantee of titles to property; 'title insurance.'

Mr. FOSTER. Would the promoter of the Bill explain that clause and the modus operandi?

Mr. FIELDING. The promoter of the Bill is not present, I do not know if he has in-