

here that would not be a very serious objection. But I admit there is much strength in the argument made by the hon. member for North Toronto (Mr. Foster), and I am inclined to think that we should, as much as possible, protect the moneys put into the hands of trust companies.

Mr. FOSTER. I will not speak dogmatically on the point, but I think that these powers of investment of capital are largely regulated by the corporate powers given to each company, and that the general law does not specify. But, certainly, the act of incorporation of no trust company that I know of gives it power to invest its funds in definitely stated securities of this kind.

Mr. FIELDING. I think, that, as our intention is to let the Bill remain in committee, this might be regarded as one of the suspended clauses, and, let the promoter, after reading 'Hansard,' give attention to the suggestion that my hon. friend (Mr. Foster) has offered.

Mr. DEPUTY SPEAKER. Section 16 stands.

On section 17,

Nothing in this Act shall be construed to authorize the company to issue any note payable to the bearer thereof, or any promissory note intended to be circulated as money or as the note of a bank, or to engage in the business of banking or insurance, except as provided in section 9 hereof.

Mr. FOSTER. That strengthens very much the argument I made at first. The Bill, by this, expressly says that it is dangerous to join insurance business and trust business together. Somebody wants to get a certain power, and has pressed for it. That power is given in the Bill, but we feel that we must guard ourselves to some extent at least, and so we add this clause to say that insurance shall only be done as provided in section 9. But the dictum is there, as plainly as can be, that it is dangerous to do insurance and trust business together.

On section 18,

The powers and authority 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.

Mr. FIELDING. I believe my hon. friend the leader of the opposition (Mr. R. L. Borden) has an amendment to suggest. As I heard it it seemed to be reasonable.

Mr. R. L. BORDEN. I propose to amend that section by inserting after the word 'company' the words 'shall be exercised in any province subject to the laws of such province in that behalf, and.'

Mr. FOSTER. If you put charters of incorporation there as well as laws, then you would make the thing safe. I do not think it is a matter of laws, though, not being a lawyer, I speak with diffidence. But I do

not think this has the least check on the powers that are given here which is a charter of incorporation. You are giving a charter of incorporation to this company to do business with larger powers than any trust company in the province. You are joining insurance and trust business together, which no corporate charter in the province of Ontario authorizes. You should put in 'which are inconsistent with the charter of incorporation of trust companies, or with the laws of such province.'

Mr. FIELDING. That practically implies that we are going to make our legislation subordinate to the legislation of a province, and I do not think we should do that. We must judge for ourselves as to the merits of this legislation. But I do not think we should say, having first given a company powers, that it shall not be allowed to exercise those powers unless there is a general law of the province to the contrary.

Mr. BRODEUR. I would be in favour of subjecting this legislation to the rights of the provinces, because I do not think we have a right to pass any law here which would grant larger powers to any corporation than they enjoy under provincial Acts. I know well that in our Quebec code there is a provision denying the corporations the exercise of certain powers, and in this Bill it is provided that such corporation may exercise those powers, which is certainly contrary to the disposition of our law. I am inclined to think also that we would have no right to give a corporation certain civil rights which they cannot exercise under the laws of the provinces; otherwise those powers that we give those corporations would be absolutely contrary to the law. The only power we can exercise is to form a corporation, but that corporation must exercise its civil rights under the laws of the province, and I think this provision is a very good one.

Mr. FIELDING. I think the amendment of the leader of the opposition meets the difficulty.

Mr. OSLER. I agree with the Finance Minister. I do not think it wise that we should be guided here by the Companies Acts in any province. Is not that covered by the fact that, I think, every company of this sort has to take out a license before it can do business in another province? Now if this company has to take out a license in the province of Quebec, the province of Quebec won't give it a license unless it restricts its powers to make them conform with the laws of Quebec. In Ontario the same way, they won't give you a license except to carry out business subject to their rules. It seems to me that covers the point.

Mr. FOSTER. That might cover the point if they did that. But there are var-