

number of farmers meet together and form one of these companies for the purpose of securing low rates of insurance. Take the case of a company having a bush fire, and large numbers of poor people would have to be paid their insurance. Does any one mean to say

THAT THE DOUBLE ASSESSMENT

necessary to pay these would not be resisted if the suits had to be entered in the locality where the notes were given? The result would be a perfect harvest of suits for the lawyers, and the country would see that these companies could not collect their notes, which are their capital, and therefore the companies would be injuriously affected. Again, no public demand had been shown to exist for the Bill. Not a single petition had come in for the Bill, and not a single newspaper had demanded its passage. The fact that some companies had failed was no ground for the change in the law, as the same argument might be applied to all other companies, such as banks and other similar institutions. The system of mutual insurance companies had been greatly extended of late, and they had now become strongly established, and it was therefore too bad that just at this time a Bill should be passed that would strike a blow against the capital of the mutual insurance companies, which is their premium notes. It had been shown that there are few suits under the law as it now stands, and he denied that there had been any general submission to injustice rather than defend a suit. The Inspector of Insurance Companies, Mr. Hunter, says that if the Bill passed it would be impossible for him to estimate the assets of the companies as he would not be able to tell what the premium notes were worth. The effect of the Bill would be to confine the small companies to small areas, and thus make them weak, as a fire in the locality would ruin them and prevent the larger companies almost from doing business at all.

IN ORDER TO SHOW

the magnitude of the interest involved, he would put the House in possession of a few statistics regarding the companies involved by the Bill. There are now in the Province of Ontario 51 purely mutual companies almost solely carried on by farmers. There are six mutual companies who also do a cash business, and one company having a Dominion charter conducting a purely mutual business. At the end of December, 1883, these companies had outstanding 98,940 policies. They cover insurances to the amount of \$107,168,000. This is an enormous amount, and shows the extent of the business done by these companies. The Inspector of Insurance states that the amount during 1884 had been increased by at least \$5,000,000, which makes the whole amount outstanding last December \$112,000,000. He also proceeded to give the results of the calculation showing about what amount had been saved to the people of this country under this system, and while the figures which he gave were not advanced as being

ABSOLUTELY CORRECT,

yet they had been carefully compiled, and he could promise the House they were approximately so, dividing the amount of the assessment into the amount of the property at risk. In the purely mutual companies we find that the rate which is charged to those insured is 19c on the \$100 and this spread over three years would make 57c on the \$100. This is the average for the whole of the companies. The rate of some of them is very much less; indeed, he knew companies where it does not cost \$1 to \$5 as compared with stock companies. Now, it is well known that the stock rate for farm risks is \$1 per \$100, under similar circumstances as the 57c is charged for, and this is a saving of 43c on every \$100. What is the result, therefore? Every three years \$242,000 has been saved to the farmers of this Province by the purely mutual companies, and adding to that sum the saving effected by companies doing partly mutual business it will amount to \$460,000. In conclusion he pointed out that for several years the joint stock companies had conducted a crusade against the mutual companies. The latter had been written down in the press, tariff associations had been formed, and every means taken to bring about a collapse of the mutual companies or force them to raise their rates to those charged by the joint stock companies.

Mr. WOOD spoke at length in support of Mr. O'Connor's Bill, and contended that the companies should not be placed in a special position, but be in the same position as ordinary suitors.

Mr. NEELON thought that Mr. O'Connor's Bill would have a very bad effect. He believed that the law should be such as to make the companies as responsible to the assured as possible. If passed it would cast a certain amount of doubt on all the mutual companies. It would throw the business into the hands of larger companies, and would raise insurance rates.

Mr. MEREDITH had not changed his mind that this Bill was against the public interest. It was a significant fact that if a grievance existed there was not a single remonstrance against the law as it stood. On the other hand he pointed out the fact that mutual companies had opposed this Bill all over the Province. He ventured to say the mutual companies were the greatest blessing in the way of giving cheap insurance that had ever been conferred on the country. The deputation who had come to oppose the Bill were impressed with the gravity of the

situation. He believed the proposition of the Hon. Commissioner of Public Works was a reasonable compromise, and trusted it would be strongly supported.

Mr. BADGEROW pointed out that the Committee to whom the Bill had been referred had considered the objections of the mutual insurance companies. The reason, he said, why there had been no deputations to support the Bill was because those who favoured it were not organized the same as the companies. It was unfair to say that those who supported the Bill were opposed to these companies, who had done a very great deal of good. He was afraid that the amendment of the Hon. Commissioner of Public Works would not sufficiently protect those who did not understand very well the contracts they entered on insuring. For these reasons he opposed it and supported the Bill.

Mr. GIBSON (Hamilton) agreed with a great deal of what the hon. member for North Brant had said, that if this Bill was not going to injure mutual companies he would not be so much exercised about it. He also thought there was great force in the statement that there had been no representations made to the House in favour of the Bill. While defendants will be no better off under the change, the companies will be a great deal worse off.

Mr. BRODER held that the Bill would help rather than injure the companies, because a great many people would insure in them now but for the fact that they were liable to be sued in the Division Court nearest the head office.

Hon. O. MOWAT said in this thing all desired the same thing—to do the best under the circumstances. There was no one personally concerned, and all were endeavouring to do the best for the public good. Even if Mr. O'Connor could not successfully resist the motion of Mr. Fraser, still he would have accomplished a great good. It was not necessary to argue that mutual companies were necessary. That was admitted. Experts in insurance matters concurred in accepting the amendment of his hon. friend, while they said that the Bill would be destruction to them, or that it was at all events doubtful if they could exist under it. He was satisfied that they interfered in an unnecessary and objectionable way with the right of contract unless they permitted the obligations between the companies and the insured. The amounts of the premium notes were so small that it would not pay the companies to collect them all over the country, but in the aggregate they amounted to a considerable sum, and thus they were able to carry on their business at war rates.

Mr. PHELPS said it was not right that these companies should make a failure, levy an assessment, and compel collection at the head office. He could get nine out of ten men, insured in mutual companies, to sign a petition in favour of this Bill, because they did not look upon themselves as members of such companies. He would like to see the Bill tried for one year anyway, and if the companies then were closing their doors low House could repeal it.

Mr. MERRICK spoke in favour of the Bill as it had been introduced.

The amendment was then put and carried on the following division:—

YEAS—Messrs. Ballantyne, Bishop, Blezard, Blythe, Carnegie, Cascaden, Chisholm, Clancy, Creighton, Denison, Dowling, Dryden, Fell, Ferris, Fraser, Gibson (Hamilton), Gibson (Huron), Gould, Graham, Hammell, Harcourt, Hart, Hess, Kerns, Laidlaw, McIntyre, McGhee, MacKenzie, McLaughlin, McMahon, Master, Meredith, Monk, Morin, Morgan, Mowat, Neelon, Pardee, Sills, Snider, Waters, Young—42.

NAYS—Messrs. Awwer, Balfour, Baskerville, Baxter, Breerton, Broder, Caldwell, Cook, Dill, Freeman, French, Gillies, Gray, Hagar, Hudson, Kerr, Lees, McColman, McKay, Merrick, McKim, O'Connor, Phelps, Preston, Rayside, Ross (Cornwall), Ross (Huron), White, Widdifield, Wilmet, Wood—31.

Paired—Mr. Badgerow, Mr. Clarke.

The House went into Committee on the Bill, Mr. Baxter in the chair. The Committee rose and reported the Bill as amended.

SECOND READINGS.

Mr. Gillies—To amend the Municipal Law.

Mr. Gillies—To regulate the sale of horses impounded.

Mr. Caldwell—To amend the Assessment Law.

Mr. McMahon—To amend the Municipal Law.

Mr. Gould—To amend the Municipal Law.

Mr. Ferris—Relating to costs of election trials.

Mr. Ferris—To amend the Municipal Law.

Mr. Gibson (Hamilton)—To amend the Municipal Law.

Mr. Harcourt—To amend the Assessment Law.

Mr. Cascaden—Respecting aid to tile timber and stone drainage.

Mr. Fell—To amend the Municipal Law.

Mr. Broder—To amend the Ditches and Watercourses Act.

Mr. Clancy—To amend the Municipal Law.

Mr. Widdifield—To amend the Municipal Law.

Mr. Badgerow—To amend the Municipal Law.

Mr. Dryden—To amend the Assessment Law.

NOTARIES PUBLIC.

House in Committee, Mr. Baxter in the chair. Mr. FRENCH—Bill to confer on Notaries

Public powers of commissioners. Reported.

RESPECTING WAGES.

Mr. MEREDITH—Bill respecting wages. Reported.

Hon. O. MOWAT, in answer to Mr. Meredith, said the Land Transfer Bill would probably come up again on Monday.

The House adjourned at 11:25.