

Private Bills

be prepared to give a more convincing argument if he wants private members in the House of Commons to vote in the affirmative for the granting of a federal charter to a life insurance company, the majority of which is owned by foreign capital. The question can be asked, what harm will it do? One can equally ask, what good will it do? There has to be more than just an absence of arguments against, there must be a presence of arguments in favour before we are motivated to vote to grant a federal charter to yet another life insurance company.

I believe our financial institutions, which include life insurance companies, play an important role in our economy. The importance of this role is accentuated in times of inflation and offers competition for investment of capital. So much so the government should arrive at a policy, or should have definite attitude or position relative to applications for incorporation or charter which come to parliament from time to time from private insurance and money lending institutions. These matters should not be left to private members hour any longer.

What is involved is whether the government should have complete control over the investment situation in this country or whether the government should continue to play a laissez faire and negative role, leaving many important investment decisions in this country almost exclusively to directors who sit on the boards of these money lending and life insurance companies. With each passing year more and more cabinet ministers are of the view the government must adopt a more active role with respect to investment decisions in this country. One or two cabinet ministers are known to be in favour of the notion to establish a Canadian Development Corporation. There is only one reason for establishing such a corporation, and it is a very important one. Such a corporation would give the government an instrument for the marshalling of capital in small and medium sized amounts from hundreds of thousands of Canadian investors. In turn, the government could use this capital to the best effect, investing it in regional and economic development, where required.

We have the very antithesis of a situation where the government is playing an active role in fulfilling its responsibility to the Canadian public, because the government opts out, continues to opt out, and leaves large sums to investment capital to be gathered by private money lending institutions

such as life insurance companies which, in turn, invest as they see fit. I have given some very good examples in recent weeks where this has been done, sometimes having regard to public interest which is fine, but often without any regard to public interest.

Mr. Nystrom: I would like to ask the hon. member for Scarborough West (Mr. Weatherhead) whether he is prepared to answer a question with regard to this bill?

Mr. Weatherhead: I understand that if I speak now I will close the debate, which I would be happy to do.

The Acting Speaker (Mr. Richard): If the hon. member speaks he will close the debate.

Mr. Randolph Harding (Kootenay West): I would like to speak briefly on this bill. As the previous speaker mentioned it is indeed odd that in private members hour we have very important bills such as this which in effect are setting government policy as far as control of the Canadian economy is concerned. The government itself should be very desirous of setting rules to govern this type of investment in our country.

Our policy for many years has been concerned with the alarming control being exercised over the various aspects of our economy. When a private member presents a bill such as S-13, an act respecting the Excelsior Life Insurance Company, one wonders where we are heading and whether the government in control of Canada today really cares where we are going or what is taking place in the investment field.

• (4:50 p.m.)

This bill is a rather interesting one. Anyone who looks at it can read the explanatory notes. Again, it is another piece of legislation which looks rather innocent. The average reader would not be disturbed by just checking the bill. He would think possibly that there is nothing here which could be of any harm to the Canadian nation. Yet, when we go back into the history of the company we find the same old story that has been going on for many years in this country. Here, we find that the Excelsior Life Insurance Company was incorporated in Canada on August 7, 1889. Then, we find that it is a subsidiary of the Aetna Life and Casualty Company, which is a wholly owned United States company that was incorporated in Connecticut on August 25, 1967. There are a host of subsidiaries under this company.