

*Private Bills*

had got rid of all the stock which they held, and after the people on the inside who were in the know had made this killing, they then announced they would not make any further advances or loans to Cowichan Copper Company. The stock of Cowichan Copper Company dropped down to 16 cents. In the result, the Aetna Investment Corporation, by manoeuvring, juggling and with complete disinterest for the rights of other shareholders in the company, came out with a \$300,000 stock market profit. This meant that the widows, the elderly people and the small investors who had put money into the company on the strength of the relationship between Aetna Investment and Cowichan Copper Company were the ones who suffered.

That is an indication of some of the things that are done by investment companies, insurance companies, trust companies, loan companies, companies which come to this House of Commons and ask us to give them the stamp of approval to conduct their business affairs. This is sometimes the kind of business that they conduct.

Regardless of what one thinks about the free enterprise system, Mr. Chairman, I submit that this is not fair or just. Therefore, I hope that, as a result of this type of discussion that we are having on this bill, and of debate on other bills which will come before us, parliament will undertake to write into this kind of bill guarantees such as those being contemplated by the Ontario government, which would ensure that those on the inside of these investment companies disclose to their shareholders what is being done with their shareholdings. This would give those shareholders the same right to make a profit as the people on the inside, those on the board of directors, the people managing the corporation who are in a position to juggle things to suit themselves.

As long as insurance companies come before this house and ask us to give them a licence to conduct their business, I submit we should impose conditions upon them. I do not think we will be able to plug all the loopholes because I am sure that some sharp-eyed character or some legal eagle attached to a company would find some way to do some underhanded work in order to come out ahead of the game. However, we should plug as far as we can any loopholes which permit companies, who receive approval from this parliament to conduct their business affairs, to behave in this way. We must ensure that they conduct their business on the basis, first of all,

that their prime responsibility is to Canada and to Canadians, and second, that their responsibility is to see that the shareholders are given equal treatment in the operations of the company.

I am not singling out the Pacific Coast Fire Insurance Company; this happens to be the bill before the house at the moment. However, there is another bill before us on the order paper in which we will be interested, as I am sure will be the hon. member for High Park. This is Bill No. S-4 to incorporate Aetna Casualty Company of Canada. Offhand, I do not know whether there is any relationship between Aetna Casualty Company and the Aetna Investment Corporation which pulled this scurvy deal with Cowichan Copper Company; but if there is a connection you can bet your bottom dollar that Aetna Casualty Company will become a casualty in this house, because it will not get a licence to operate its business. I say that only because both companies happen to have the name "Aetna", and usually there is some connection between companies with the same name.

**Mr. Cameron (High Park):** Mr. Chairman, may I just intervene to inform the hon. member that Aetna Casualty Company of Canada has no connection whatever with Aetna Investment Corporation. Aetna Life Insurance Company is one of the oldest, strongest and most highly respected life insurance companies carrying on business on this continent and elsewhere in the world. Aetna Casualty Company, when incorporated, will be a subsidiary company of Aetna Life Insurance Company.

**Mr. Howard:** My hon. friend says there is no connection. I suggest that the company had better change its name so that there is no confusion about this in anyone's mind. However, that can be dealt with subsequently.

There are only two minutes left, Mr. Chairman, and I do not want to prevent the passage of this particular bill. On the surface, even though scant information was given to the committee—merely a one paragraph explanation which we could have gleaned from reading the bill itself—there appears to be nothing about which one could specifically complain as far as this company is concerned. I simply use this opportunity to plead with hon. members who are interested in these matters to think in terms of writing in some guarantees so that these companies are compelled to act in a responsible way.

Clause agreed to.