

*Private Bills*

**Mr. Deputy Speaker:** Am I to understand that the hon. member for Lapointe has now finished explaining the point he has just raised and that from now on he will limit his remarks to the principle of the bill now under study?

**Mr. Gregoire:** That is right, Mr. Speaker, I had finished.

I challenged the malicious insinuations made against me, and I say that they are false and untrue, as well as spiteful.

And now, to come back to the bill now under study, I must tell the house that we are still against it. As I have already said here, our country does not need any more American life or automobile insurance companies when it already has so many good Canadian insurance companies which have served our people so well.

We have our own Canadian companies. To my mind, we do not need any more competition from American corporations.

Mr. Speaker, I have another suggestion to make. If we refuse new insurance companies in this country, it might help keep our capital at home, more particularly at a time when we have such need of it.

The Minister of Finance (Mr. Gordon) complains of an outflow of Canadian capital to the United States and other countries. I think that is a significant factor.

It will be said that the insurance companies are going to reinvest their funds in our country. The Allstate may indeed reinvest some capital in a country like Canada. But if they put back their money in a secondary company like the General Motors, the profit they reap from such a company will be profit from a second industry, neither more nor less, which will create a second circulation of capital which will be transferred to other undertakings through another corporation in their own country.

We do not want to be misled by such promises of reinvestment in this country, because we know that ultimately, after a second reinvestment, profits are going to increase and return to the United States.

However, there is a facet of the matter which I would like to mention here. When we met the representative of the Allstate company, he asked us to let the bill be referred to the committee to explain this particular point: when an insurance company like Allstate has a Canadian charter, the Canadian employees of such a company may reap some additional benefits because, being employed by a Canadian company, they will be able to set up their own pension plan, their own retirement scheme, and obtain other advantages and benefits, instead of being just employees of one branch of an

American company. At this point we are told: Why treat our Canadian employees like second-class workers in this country, like second rate employees, and not like first class personnel entitled to all the benefits which a Canadian company extends to its employees. Now, the fact should be recognized; I think that there are 600 Allstate employees in Canada. It is unfortunate for them, but we are not looking upon people employed by the Allstate company as second-rate personnel. I think that argument may be bypassed by saying that though they are employed by the branch of an American company, those employees may set up their own social security plan by forming some union of Canadian employees, even if they work for an American branch.

I think the argument that they are considered second-class employees because we do not want to give a charter to an American company is hardly valid, for we consider that they can achieve the same social security benefits by creating their own services, like pension, retirement or health insurance funds, etc.

It is not the employees of the insurance companies that we consider second class in our country, but rather the capital because we want first-class capital in our country to be above all Canadian capital. If foreign interests want to invest in a particular field in our country and that enough Canadian capital has already been invested in such a field, the foreign capital must be second-class capital.

There is free competition in this country, but I believe that in a field where Canadians are able to develop themselves and to reach the top, there should be a difference between first-class capital or Canadian capital in a particular field, and second-class foreign capital when the Canadian capital is sufficient to satisfy the business in that particular field. However, if, in other fields, foreign capital want to invest where Canadian capital is not sufficient or does not meet demand, then we could slightly modify the point of view I have just explained. But I suggest that in the field of insurance—life, automobile, fire, accident insurance—we have at the present time enough companies and that we should protect our Canadian companies, their capital, their management and their staff against an invasion by foreign-based insurance companies.

I do not know of many Canadian insurance companies trying to compete on the foreign markets. They are not allowed to do business abroad. Now, we should do the same thing in our country and we should start by giving protection to our Canadian companies. Those are the companies which later on will have