

Private Bills

company, sufficient shares of the insurance company then owned by them to bring the indirect ownership of Waddell & Reed Inc. in the insurance company to below 50 per cent.

This is a statement of policy and of intention on the part of the company. This statement meets the objections raised in this house by some members on an earlier occasion during another session. So far it is only a statement of policy. With all respect to those who enunciated this statement and with all respect to those who developed the idea and accepted it, in common parlance and without being unkind I should like to suggest that it still has only the value of the paper on which it is written. There is nothing in the bill before us to indicate that United Investment Life Assurance Company will, within a period of time set out in the statement of intention of the company itself, comply with the statement of policy. I think this is something which should be cleared away in the committee. It is the law of Canada that this will take place. It certainly is the law of Canada that it will take place with regard to the Mercantile Bank. In that case it is not simply a matter of the acceptance by the Canadian government of a statement of policy on the part of the Mercantile interests; it is a matter which is nailed down.

When this bill reaches the committee stage, I think it will be the responsibility of the members of that committee to take the policy enunciation of the company and ask the appropriate officers of the Department of Insurance, which I believe is the appropriate body, to have it drafted in the proper legal form so that it can be incorporated into the particular bill. In this way the statement made by the hon. member for Vancouver Quadra which, as I understand it, reflects very clearly and exactly the position of the promoters of the United Investment Life Assurance Company, would by law be related to this particular company and this Bill C-114.

• (6:40 p.m.)

Some may say that by spelling this out in the bill it constitutes a departure from the norm and therefore we should not do it. Let me point out that there are precedents for this. One pipe line company, the name of which escapes me now, some six or seven years ago sought incorporation through sponsorship of the hon. member for Bow River (Mr. Woolliams). That bill contained a provision, because this point was crucial at that time, which required that all the directors of the company at all times would be Canadian

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citizens ordinarily resident in Canada. The argument that this is a departure from the norm may be true to the extent that it is not ordinarily done, but there is precedent for it, and that precedent arises from a rather peculiar situation.

I submit that the situation now before us is likewise peculiar, in that a company which is owned indirectly in the United States, partly because this was done so easily, with such a direct approach and without hesitation, and partly involuntarily because certain views had been expressed to the company that the passage of this bill would be made much easier, is seeking to be incorporated by parliament at this time.

Mr. Speaker: Order, please. The hon. member's time has expired.

Mr. T. S. Barnett (Comox-Alberni): Mr. Speaker, I am afraid I am going to be a great disappointment this afternoon to my colleague, the hon. member for Skeena (Mr. Howard). The other day when we were discussing a bill in respect of the incorporation of another insurance company, the hon. member had some kind remarks to make about me. If I may just make some reference to them, he said as reported at page 755 of *Hansard* for May 30:

He has just given me cause to admire his perceptiveness and his ability to follow the highly detailed, technical and complex remarks made by the bill's sponsor. My colleague grasped the significance of the document introduced in the introductory remarks by the sponsor of the bill. When my colleague referred to that document and said that he appreciated the straightforward manner in which the bill's sponsor had outlined its purposes, I was amazed. I had not thought it possible to follow the labyrinthian course that the bill's sponsor outlined when he explained the intricacies, complexities and involvements of this company with other companies.

I have a confession to make to my colleague. Notwithstanding the explanation given by the sponsor with respect to Bill C-114, and having listened to the hon. member's detailed elucidation of what is behind this proposal, I cannot in this instance follow the complexities of the proposal we now have before us. I have some general idea that there is a proposal that if this bill should be approved by parliament, some steps are to be taken in the general direction of divesting the original sponsors of the company of some of their stock holdings. Perhaps my difficulty in this regard is due to the fact that I have not had the opportunity of perusing the document to which both the sponsor of the bill and the hon. member for Skeena referred. It may be