

Private Bills

Canadians having any say whether those changes are in the national interest. In many cases this might not matter but I suggest that in the case of insurance companies it does matter. They are financial institutions. A great deal of the mortgage money which our people need must come from savings which are held in trust by insurance companies operating in this regard in the same way as banks and trust companies.

In the case we are considering today the total direct investment amounts to \$7,292,000. That is a lot of money which could be invested in housing or in related fields. The company now under consideration is only one of a large number of similar companies, perhaps a thousand, doing business in Canada. So there are probably a billion dollars available from insurance companies for reinvestment.

We have on several occasions held conversations with representatives of insurance companies and similar companies in the course of which suggestions have been made. We are now suggesting to this company that it should give consideration to certain proposed changes. One of these changes is similar to the one brought about in the case of the Mercantile Bank where it was agreed that the bank should be given a period of time in which to put its business in order for a sale to take place, or else continue as it was doing for a further period of time at the end of which it was bound to cease business. In several cases companies have agreed that after a ten-year period dating from registration they would either be owned to the extent of 51 per cent by residents of Canada, persons normally of Canadian citizenship, or else that would give up their right to do business and would cease to exist. I presume their petitions are already on the order paper or will be there shortly. Some of the insurance companies have agreed to this procedure. When I talked to the heads of some of these insurance companies they said—and I was pleased to hear it—We, too, want our companies to be Canadian; we want our companies to be so Canadian eventually that we shall be able to make policy decisions free altogether from outside influence.

I asked an American who owns one of these companies why he wanted to establish business in Canada. He did not beat about the bush. He said quite frankly that the market in Canada was so lucrative that if the company were given ten years in which to establish itself it would be willing to get out to the extent of 51 per cent of its shares at the end

of that time. The value of the shares sold would represent everything he expected to get out of the operation and afterwards he would be content to let Canadians run the business. If this is true in the case of one of these companies I maintain it is true of others, and in these circumstances I suggest it is time for us to invite these petitioners to state plainly whether they wish to do business in Canada through a Canadian corporation or through a branch office.

The Deputy Chairman: Order. I regret to interrupt the hon. member but the time allotted to him has expired.

Mr. Gilbert: Mr. Chairman, we are dealing now with Bill C-101. The explanatory note to the bill says that the sole purpose is to change the name of the company to Avco Insurance Company and, in French, L'Avco, Compagnie d'Assurance Générale.

If this were the sole purpose of the bill one might be disposed to view the petition with sympathy. Nevertheless, when one hears the name "Avco" one is perplexed as to its meaning. You will recall, Mr. Chairman, that the last time I spoke on the subject I expressed regret that we in Canada should be asked to agree to change a name like "London" with all its implications of parliamentary democracy, all its wealth of associations for people who have left it to come to Canada, for a name like "Avco". Take the other part of the present name of the company—"Midland". I understand this is the name of another region in England. I know that the sponsor of this bill is the hon. member for Middlesex. Middlesex is a county in England of great fame and name and I am surprised that the present hon. member would apparently agree to such a change in name as is proposed.

It was revealed to me that the name "Avco" is a short name for "Aviation companies". This was stated before the standing committee on finance, trade and economic affairs when the representative of this company appeared on October 10 and 22. When one thinks of aviation companies one thinks of the large companies in the United States. When one looks at the background of Avco and the type of activities in which it participates one is confronted by the general question of the degree of horizontal and vertical development which is taking place in the corporate world today.

For example, Mr. Paterno, one of the witnesses before the committee, was asked to give a breakdown of the areas of economic