

Government Orders

The Acting Speaker (Mr. DeBlois): Is it the pleasure of the House to adopt the amendment?

Some hon. members: Agreed.

Amendment (Mr. Blenkarn) agreed to.

Mr. Simon de Jong (Regina—Qu'Appelle): Mr. Speaker, I just wish to put on record some of the arguments in favour of the motion that has been introduced by the Liberals.

As mentioned before, if the government succeeds in its legislation—and it appears it most probably will—we will find sort of the collapse of the pillars. We will have trusts being able to sell insurance, vice versa and so forth. The possibility of conflict of interest, of tied selling, of undue influence on people who are taking their mortgages out, for example with some sort of unwritten requirement that would force them to take a certain life insurance or a certain mortgage insurance policy out, and the temptation for doing things that are not legal are going to be much greater. Therefore of course the need for regulation is going to be much greater.

It is impossible to regulate every instance, every situation. I drew the attention of the House to the hypothetical possibility where in the Royal Bank in southeast Saskatchewan on one desk is the person that deals with the mortgages and on the other desk is the person who sells insurance. It is impossible to police or to prevent the two people from talking to each other, to prevent the person who is selling the mortgages from saying to the person who is selling the insurance: "Joe Smith has just got a mortgage. Why don't you go after it?" That type of activity is not legitimate and should not be legal.

• (1650)

There is a tremendous need for some form of self-regulation. It is the lowly clerk in there who will see abuses occurring and illegal activity occurring. This amendment makes it a little easier for the clerk to step forward and to say: "There is something illegal happening here. There is something wrong with what is happening here". Of course it frightens the clerk to take on a big institution.

After the legislation is passed conceivably we are going to have some very giant institutions. For a little clerk or teller to take on the institution is quite a daunting task.

The clerk of course is concerned that the financial institution will bring some legal action against that person. The little clerk just feels totally intimidated. He can barely meet all of the expenses during the month, and the thought of being forced to go into court, to go out and hire a lawyer, and to face the legal department of a trust, one of our banks or one of our large insurance companies is just impossible. It is one-sided and unfair.

With this amendment we are offering that clerk, that low paid person, some form of protection. I think it is an excellent amendment. I am glad to see that the government through the persuasive powers of opposition members has accepted the essence of the amendment. I hope it will do what we all hope it will do, that is provide protection for the small people working in big institutions.

The Acting Speaker (Mr. DeBlois): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. DeBlois): The question is on Motion No. 4, as amended. A vote on Motion No. 4, as amended, will apply to Motions Nos. 5, 11 and 12, as amended.

Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Motion No. 4, as amended, agreed to.

[*Translation*]

Hon. Bernard Valcourt (for the Minister of State (Finance)) moved:

Motion No. 4A.

That Bill C-28 be amended in Clause 351 by striking out line 41 on page 193 and substituting the following:

"(b) in the case of a life company, loans owing to the company by any".

[*English*]

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, this is a very technical amendment. It ties the particular amendment down to life insurance companies. One of our problems is that we are now putting life insurance companies, property and casualty insurance companies and friendly societies all in one bill.

This particular amendment specifies that the change is to life insurance companies. It is really an amendment for clarification and should carry without any problem.