

Criminal Code

Mr. Gérald Laniel (Beauharnois): Mr. Speaker, when reading the bill moved by the hon. member for Surrey (Mr. Mather), I fully realize the motives which might have led him to present such a measure, but I wonder whether that would really solve the problem.

I do not wish to deal with the legal aspect of Bill C-19. Some of my colleagues have said earlier that it would come under civil law. I do not dispute their opinion. However, I wonder whether, in an attempt to protect an insurance policy-holder or the signer of the contract, with an amendment to the Criminal Code dealing in particular with the fine print clauses, we would really achieve the purpose intended by the sponsor of this bill.

I am a general insurance broker and I do not think that any member could convince me that insurance policy-holders take even the trouble to read the big print in the policies. In fact, when a claim is to be filed, they get in touch with their insurance agent and tell him: "Am I covered?" At that time they trust the person who assumed a certain responsibility by suggesting a contract appropriate to their needs at the time of the purchase of the policy.

More and more, nowadays, we want to protect the citizen. I fully agree with that. We talk about protecting the consumer; a certain warranty is required with regard to products and prices. We also want to protect the potential borrower by making it a requirement for finance companies to indicate the rate of interest in the contract.

This bill deals with the fine print clauses.

• (5:30 p.m.)

Mr. Speaker, on looking over general insurance policies, it is noted that some clauses are in fine print. However, the fine print clauses included in a general insurance policy always deal with statutory conditions similar in all contracts and this I approve of.

I agree with the principle of the bill, but I do not accept the amendment contained in clause 328a) of the Criminal Code. In fact, if an amendment is adopted in order to prevent abuse, it implies that such an abuse exists, that it is customary for insurance companies, notaries and lawyers to insert fine print clauses in the wording of contracts with the intent of misleading. They would include such riders in insurance policies by way of explaining that whatever has been said in three pages does not apply in one situation or another. It is inferred that in so doing companies have fraudulent intents.

[Mr. Trudel.]

Mr. Speaker, Canadian insurance companies are operating under federal or provincial charters. They must comply with standards established by governments on the financial level and with regard to responsibility. Besides, such companies are members of associations. In the case of general insurance, they are members of the Canadian Underwriters Association or of the *Conférence des compagnies indépendantes de la province de Québec*. Some companies are not members of these associations, but they are subjected to a most important factor which is competition. At the present time, general insurance policies and especially life insurance policies are governed by this factor which leads to identical clauses that are verbatim in statutory conditions and correspond to one another.

I do agree that the government should pass legislation and that we should take time to protect the citizen. In my opinion, measures like this one are out-of-date, and all the more so since we have other priorities. I do not see what we could get, especially the citizens we want to protect, by referring that small piece of legislation to a committee which has to deal with much more important matters.

I would have been more disposed to support the hon. member for Surrey if he had proposed, in a notice of motion, that the federal government ask the Superintendent of Insurance to inquire into the fixing of insurance rates which are identical and become more and more comparative. That would be good if it came from a competition which would tend to lower the rates of general insurance. I cannot speak of life-insurance, as I am not a specialist. Those rates go on increasing and they are not competitive, as they are always increased by common consent.

I would agree with the hon. member if, at a given time, competition were to force an insurance company to reduce its rates, and that the next year, another would like to get the same clients even if rates were similar.

But that is not exactly what takes place today. Personally, I wonder especially when I look at the increases in automobile insurance rates and the decisions taken by the companies, without consulting their agents, and even worse, without consulting national and provincial associations of underwriters which secure the services of experts and would like insurance companies to consult them more.

Mr. Speaker, I do not want to stray any farther from the subject of the bill, but I wanted nevertheless to raise the matter of insurance rates, because maybe one day, even