

Private Bills

one now before us—and I know they act in good faith—make sure that such a clause is included in their bills.

Having said that I now move, seconded by the hon. member for Vancouver-Kingsway (Mrs. MacInnis):

That this bill be not now read a second time but that it be read a second time this day six months hence.

The record shows that when this bill first came forward the chief spokesmen for the company were from across the border. I have in my hand a copy of the proceedings of the Standing Committee on Banking and Commerce of the other place. It is issue No. 4, dated Wednesday, October 23, 1968. I see that two individuals from Hartford, Connecticut, appeared before the committee. The general manager of the Canadian office appeared, but his origin is not indicated. Of course, the parliamentary agent also appeared before the committee. It seems that the company to be incorporated was to be a new insurance company with power to transact all classes of insurance except life insurance. On page 41 of the proceedings Mr. R. Humphrys, Superintendent of Insurance, is reported as having said in part:

If incorporated the company would be owned by the Aetna Casualty and Surety Company, a United States company that has been authorized to transact insurance in Canada over many years.

He went on to say:

Foreign companies can come into Canada and become registered under the insurance companies acts and transact business here on a branch basis if their financial condition is sound. This is a very common method of doing business in Canada.

I have already referred to our lost wheat sales and to the activities of the International Petroleum Company, with headquarters in Toronto. Flour and petroleum interests in Canada controlled from within the United States have not behaved as good corporate citizens. Mr. Humphrys went on to say:

Many of them, however, form or purchase Canadian incorporated companies and do business in Canada through the Canadian subsidiary.

I ask the hon. member sponsoring this bill whether the company wishing to be incorporated will be a good corporate citizen of this country or will it behave as other subsidiaries of United States companies have behaved? It seems that some of them do not intend to obey the laws of this country and do not intend to be good corporate citizens. In fact in many cases, as I have mentioned, they have certainly blackened the name of Canada.

[Mr. Skoberg.]

● (5:30 p.m.)

The desire here is to form a new Canadian company and direct the Canadian business of this group through a Canadian subsidiary. It might not be too bad if the subsidiary were prepared to live up to the laws of Canada and become Canadian owned within a predetermined time. But when a U.S. company bought Robin Hood Flour of Canada it was made clear there was no intention of allowing the Canadian company to export flour to the U.S.S.R. or Cuba. It is a complete disgrace that a company like Minneapolis Milling can dictate to Robin Hood Flour and so do harm to the Canadian economy. This is what will happen if we continue to allow these foreign insurance companies to be incorporated in Canada.

I believe I have laid the groundwork to which the facts of this case may be applied, Mr. Speaker. I believe that hon. members who insist on sponsoring bills such as this, with no provision for the companies concerned to become Canadian owned, will now hesitate to sponsor such bills. I have drawn the attention of the house to the fact that we must be very careful about incorporating companies that do not intend to become good corporate citizens.

We appreciate those companies that do live up to our laws and are good citizens, but there are too many that have no intention of living up to our laws. I conclude by urging hon. members to give consideration to the points I have put forward.

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, the first thing I wish to do is to congratulate the hon. member for Moose Jaw (Mr. Skoberg) upon moving the amendment to this bill. I would also like to compliment him on his remarks, and I wish to support them. I also wish to say the same thing with respect to the hon. member for Fraser Valley West (Mr. Rose).

As we all know, Bill S-11, an act to incorporate Aetna Casualty Company of Canada, was introduced in the Senate, and was first discussed in this house by the hon. member for St. Paul's (Mr. Wahn) on December 19 last. We must ask many questions when we debate a bill like this, and I would like to hear the hon. member for St. Paul's answer many of the questions that not only I but other hon. members wish to ask about bills of this sort. We have been asking questions relating to such things as foreign ownership, the control of the company, and why this company wishes to be incorporated in Canada.