

Private Bills

need capital, and above all foreign capital, because we do not have enough. If our capital is sent abroad, the situation will be even worse.

Mr. Chairman, several insurance companies claim to be exclusively Canadian, yet they are not at all. They come to seek Canadian capital and are contributing to the development of other countries. Then is the time to act. Those insurance companies should be exclusively Canadian, not only in name but also with regard to their operations.

It is asked to replace the present name for a Canadian name. That will only be a Canadian name and not Canadian capitals. The steps which will be taken by those companies should benefit Canadian citizens. Investments and all the money collected, all the profits of those companies, should be reinvested in Canada.

So far, few insurance companies have come to make investments in Canada, after earning money abroad. Almost all foreign companies transacting business in Canada have come here to extract Canadian capital and invest it where they pleased.

● (5:50 p.m.)

The investments of some of those companies are ill-distributed. As far as I am concerned, I live in a remote area of the Eastern Townships. Some insurance companies come and squeeze money out of the inhabitants of that area, but they never reinvest anything there. They do not reinvest to develop our area, under the pretence that it is not profitable. How do you explain that they come and take our money, but do not reinvest? Insurance companies are not working in the interest of society. They are not logical. They come and squeeze considerable amounts of money out of some areas of the country, but those very areas do not derive any benefit from this. In my area, it would seem that people are only good enough to pay insurance premiums since they do not receive in exchange anything which would promote development of the area. If we do not get anything, in my area it is because, it would not be profitable to invest, so they say. It is not profitable to reinvest but it is profitable to come and pocket thousands of dollars at one time from us.

We should put our foot down and ask again to insurance companies to reconsider what they are doing. If they are allowed to come and take Canadian funds they should be able to distribute their investments. Unfortunately,

they are allowed to reinvest according to their own will and where they see fit. When it comes to increasing interest rates however, they make no bones about it. Mortgages are allowed in several areas of Canada, at a certain interest rate but a few years later, they can be increased. Thus those who have borrowed from those insurance companies instead of from other companies have to pay a higher cost, because there is some difference between interest rates.

Mr. Chairman, all kinds of things are going on in insurance companies. We should establish an agency whose task would be to see that these companies are consistent with themselves, in the best interests of the Canadian economy.

Canadian Parliament should be kept informed of those companies' activities. I cannot blame too much the members of the New Democratic Party who want to know what those insurance companies do with the capital that they squeeze out of Canadians. And we lead people to believe that insurance is a beautiful thing. It is always good after one's death, but there are a great many other means for Canadians to make more profitable investments than in insurance companies.

Mr. Chairman, there are certain things that should be cleared up and reformed in our insurance companies. I mention that particular one, but I might lump all the existing Canadian insurance companies together in that respect, for they do not appear to provide the benefits they should, if one takes into account the amount of money they get out of the public.

Moreover, there are insurance agents—I do not hold it against them, though—who earn more than manufacturing concerns having 75 or 80 employees. Is there not something surprising in the fact that one man, by himself, with his small brief-case, can earn as much? Something is going wrong inside the insurance companies, Mr. Chairman. I spoke about the small agents at the bottom of the scale, but what about all those who earn \$50,000, \$75,000, \$100,000 or \$125,000 a year, all that at the people's expense. Buying insurance policies is not always a wise investment, as we can see. They begin by paying themselves huge salaries and this explains why many insurance agents do not want to become members of parliament since they earn four times as much selling insurance in their region.

The insurance companies are exaggerating and there is extravagance somewhere. If we