

Private Bills

which come here to be incorporated. We should inquire as carefully as we can in order to protect the rights and welfare of individual Canadians who at times place their life savings in such companies.

At this stage I can do nothing more than repeat in essence what I said on December 8 about the activities of this company. I might add that, unfortunately for those who want to pay attention to the structure or activities of companies which are incorporated here, a bill went through this house not long ago to incorporate the Canada Health and Accident Assurance Company. When that bill went before the committee regrettably the committee did not have disclosed to it information that would have connected the ownership of that company with Aetna Investment Corporation Limited subsequent to my having raised the activities of Aetna Investment Corporation Limited in this house.

There is therefore, I think, a responsibility on the sponsor of the bill to incorporate Canada Health and Accident Assurance Company to state in the house that this company is owned by the people who own Aetna Investment Corporation Limited. It may be that the sponsor of the Canada Health and Accident Assurance Company bill did not know of this connection. If so, that underlines the point I made earlier that members of this house are placed in a very awkward position, because I am sure that in most instances all the member sponsoring the bill knows is the information placed before him by counsel for the company seeking incorporation. If there is any other connection and the hon. member is not cognizant of it, then he proceeds in good faith, as was done in the case of Canada Health and Accident Assurance Company.

But if it is discovered subsequently that there is a connection between the company to be incorporated and another, such as Aetna Investment Corporation which I have just mentioned where it turns out that we should have had another look at Canada Health and Accident Insurance Company, that makes a mockery of the activities of parliament and puts the sponsors of bills in an awkward position. Who knows what may be the awkward developments falling on the shareholders of any one of those companies so incorporated? If there are connected companies and if the directors happen to be members of the house, and especially if they happen to be former cabinet ministers as in one instance, they are placed in an awkward position, particularly where there is a connection between

[Mr. Howard.]

a finance company, an insurance company, a borrowing agency and a savings and loan company. Where these companies are owned by the same principals I submit that at best parliament is put into an extremely bad position. Because there is an intimate relationship between borrowing money and lending it to one of the other companies controlled by the same group owning the company that borrows the money, the shareholders of any one of these companies do not have their rights properly served.

I put these comments on the record, though my remarks deal with one particular company. I repeat that the activities of Aetna Investment Corporation with respect to the purchase and sale of Cowichan Copper Company shares were contrary to and in disregard of a specific undertaking made to the Toronto stock exchange, an undertaking that was there to protect the rights of shareholders of Cowichan Copper Company Limited. I submit that this is not within the ambit of the good business ethics, as anybody will appreciate.

Mr. Deputy Speaker: Order, please. Though the hon. member has not yet discussed the principle of this bill, I must advise him that his time has expired.

Mr. Howard: I had just got to that point, Mr. Speaker, but I shall sit down.

Mr. Herridge: On a point of order, I wish the hon. gentleman would live up to the rules of this house with the determination he showed earlier this afternoon and would practice what he preaches.

Mr. Arnold Peters (Timiskaming): Mr. Speaker, when we talk about companies, I am always interested in who owns what. I was interested to hear the hon. member for High Park (Mr. Cameron) say that the Seaboard Finance Company was an old and respected company operating in eight out of the ten provinces. In checking the survey of industries for 1966, the only reference to Seaboard that I see is to Seaboard Utilities which has housing developments in Tampa, Florida. There is no reference in the *Financial Post* survey of industries to this company, though it does mention all the other finance companies I can think of, including some that the hon. member who preceded me referred to. There may be a reason why this particular company does not appear in the survey of industries. There is no information in the survey about the principals of this company, and the survey covers a very wide range of companies.