

Bank Act

- (p) criteria for selecting recipients of charitable contributions and grants;
- (q) charts showing the organization and structure of the bank, its subsidiaries and affiliates, including foreign corporations and the functions and legal relationship between them;
- (r) the membership, functions and objectives of board and management committees; and
- (s) a statement of types of shares, size of holdings and residences of shareholders."

Mr. Bob Ogle (Saskatoon East): Mr. Speaker, this evening I would like to bring before the House some ideas which I feel are very important before we vote on motion No. 43 because this amendment has a direct relationship to the way banks are now influencing and working within the whole world. It has to do with the whole question of our knowing what banks are doing with respect to the whole world. I feel Canadians should have a very clear understanding and knowledge of what is happening in international banking. I believe, as does my party, that there should be a means by which Canadians can know this.

When we spoke about this bill at another stage, I dealt with the same question—the necessity that Canadians know what Canadian banks are doing with their money in other countries and particularly in countries which we call developing countries. Canadians have a right to know and must know what their savings—their money in the bank—are doing to other people, and this is why I feel that when it comes to disclosure of information we as Canadians have a very clear and distinct right to know what our banks are doing.

In the past few months international finance has undergone dramatic changes. Because of world inflation and the rise in international energy prices many countries in which Canadian funds have been invested have experienced severe crises with regard to financing. International banks fear—and probably rightly so—that many of their investments in foreign countries are becoming fragile and could in the long run prove to be poor investments because the Third World, consisting of the developing countries, is not able at this time and may not even in the future be able to pay the banks on the terms under which investments have been made. Banks are going to be looking for areas operating under what they feel are stable governments. Unfortunately, in many cases stable governments are governments which are the result of military take-overs or whose philosophies are such that the human rights of people who live under them will not be protected. Investments are more or less stable in such circumstances, but the investment of Canadian money by Canadian people is not leading to the true development of people in this situation but, in reality, is oppressing them. I refer particularly to the poor. For this reason I believe Canadian banks should be made to disclose where they have made their investments.

In line with that approach I would like to read into the record of this House the statement the Canadian Task Force on the Churches and Corporate Responsibility made to the government in relation to loans made to such countries as South Africa, Chile and Bolivia where there has been forceful destruction of human rights. In a brief to the Standing Com-

mittee on Finance, Trade and Economic Affairs this task force made the following recommendation on January 23, 1979:

In order that the Canadian public be in possession of information which permits it to form valid judgments about the foreign loan policies of Canadian banks and other financial institutions involved in international investment or underwriting and in order that clients and shareholders be given the legitimate choice of raising questions about these policy decisions, the task force submitted the following recommendations for inclusion in the revised Bank Act:

1. that the Bank Act make provision for uniform and equitable public disclosure requirements of loans by Canadian banks, their subsidiaries and affiliates and by other financial institutions made directly or through consortia to foreign government or agencies of foreign governments of amounts totalling more than \$1 million;
2. that in the interest of public and shareholder accountability, Canadian banks and other financial institutions be required to disclose the amount and the dates of such loans and publish them as a matter of record;
3. that in order to preserve the principle of client/banker confidentiality and in order to safeguard the principle of competition, financial institutions should not be required to disclose such loans prior to 30 days following signed agreements.

The people who presented this recommendation to the Government of Canada are no mean group. They represent the church people of the main church groups in Canada and speak for a great number of Canadian citizens.

● (2040)

Beyond being responsible for countries which, in many cases, are developing with great difficulty because of lack of funds, I should like to bring to the attention of the House the necessity for these kinds of loans made in international circles becoming public knowledge to Canadians. During the past summer, this government boycotted the Olympic Games in the U.S.S.R. and many young Canadians were deprived of the opportunity to participate in the games. The reason for the boycott was well founded, I suspect, in that it was a spoken testimony against the invasion of Afghanistan by the U.S.S.R. However, at the same time young Canadian athletes were being deprived of their right to compete in the Olympic Games, Canadian banks were making money for the loans they had made in Russia. For instance, the Bank of Montreal made two major loans to the International Investment Bank in Moscow, one for \$500 million and one for \$600 million. Those loans were in force during the time of the boycott. I do not see why it should be necessary for young Canadian athletes to be deprived of the one and only chance they will probably ever have to compete in international sport at that level and call this our protest against something which is a grave injustice in international order, namely, the invasion of Afghanistan, while at the same time Canadian banks are not deprived of anything and are not called upon to sacrifice anything in the name of a protest against the invasion.

An hon. Member: Utter hypocrisy!

Mr. Ogle: The Royal Bank of Canada also took part in this activity. We were able to discover this because of the Euro-money Syndication Service, not from any disclosure by the bank of what had happened. The participation by the Royal Bank of Canada in loans to the Bank for Foreign Trade of the U.S.S.R. amounted to \$400 million U.S. in the first case and