

Income Tax Act

to get a positive vote on the measure in Clause 10. They got it, but the cost, I suggest, is a very high one.

If the Government were really committed to the parliamentary reform process, it would be prepared, as say the British Government has been prepared to do from time to time in the House of Commons, to accept that the wisdom of the parliamentary committee, which has studied a matter very closely, is greater than the wisdom of a Prime Minister who has made a silly promise, or of one or two officials in the Department of Finance, or of political advisors who have made a particular recommendation which does not wash in the light of close scrutiny. I regret that the committee's advice was ignored and that it was subverted by a bunch of parachutists who came to the committee at the last minute in order to ensure that it voted the way the Government wanted it to do. Perhaps the Hon. Minister would like to justify those actions. He has been notoriously silent on the IBC question during the course of this debate.

• (1230)

Mr. Riis: Madam Speaker, it is an unfortunate turn of events that the committee has been manipulated to facilitate the Government's policies as opposed to the implementation of the recommendations the committee worked so long and hard to develop.

My question to the Hon. Member deals with his suggestion of a task force that would be made up of the obvious players who are interested in improving the banking and financial facilities in both Montreal and Vancouver. Perhaps my hon. colleague could elaborate on what might be some of the avenues that Montreal and Vancouver could pursue to develop a more comprehensive financial community, particularly recognizing the need for taking steps to initiate an increased trade function as well as a financial function for both these Canadian cities.

Mr. Cassidy: Madam Speaker, some of that, of course, will come from those communities if they are consulted. I know from my contacts with members of the new municipal administration in Montreal that they are anxious to develop many new initiatives in order to solidify the position of Montreal as the trading centre for Canada, the centre that can provide services for trade with Latin America, Africa and of course particularly Europe. Perhaps, in the near future, if the summit talks in Washington this week go well, it will increasingly provide services for trade with Warsaw Pact and Soviet Bloc countries in eastern Europe.

It seems to me that we need to work systematically through the services in terms of factoring, financing, export and trading information and market intelligence. I learned the other day that there is a franchise service called the World Trade Centre which is trying to establish itself here in Ottawa. I am afraid it is just a kind of a club where a few people meet from time to time.

When we talk about a world trade and financial centre in Montreal or in Vancouver, it seems to me we should be talking about something much broader than that. I believe that a wide range of interests in Montreal are able to contribute toward developing that as they are in Vancouver as well. I find it ironic that at the time we are entering into this legislation for international banking centres the Government is introducing a trade deal with the American Government which will allow the Royal Bank of Canada centered in Montreal to be 100 per cent American owned. It will allow—

[*Translation*]

This means that the Bank of Montreal would be 100 per cent directed and controlled by American interests. In the past, we insisted that our chartered banks be headed by Canadians and that not more than 25 per cent of Canadian banks should be controlled by foreign interests. Now this is going to change, and it is a strange about-face. How can the Government both insist on creating small international bank centres in Montreal, for instance, and make it possible for chartered banks such as the National Bank to be controlled by American interests as a result of the Free Trade Agreement between the Prime Minister and U.S. President Reagan?

[*English*]

It is a very curious kind of contradiction, but this Government has been intent on adopting American standards and selling this country to the Americans ever since it came to power in 1984.

Mr. Parry: Madam Speaker, I would like to hear a bit more of the Hon. Member's analysis on the use of the goon squad by the Government in committee. I think this is something worth putting on the record. Perhaps the Hon. Member would go into a little more detail about what happened on the committee.

Does the Hon. Member think that the public disputes between members of the Government on a regional basis was simply an opportunity the Government offered its own backbenchers to get themselves some good publicity back in their own ridings where of course it would be their comments and their opinions rather than those of their colleagues which would receive attention?

Mr. Cassidy: Madam Speaker, what I noted was the number of members we had never seen who suddenly popped up. For example, I believe that the Hon. Member for Fraser Valley East (Mr. Belsher) was substituting for another Member. I also believe that arm-twisting took place.

Members who could not be present but were regular members who participated very actively in the committee were absent, including, for example, the Hon. Member for Edmonton West (Mr. Dorin). Did he have his arm twisted? Did the Government tell him that he is an up-and-coming Member, there is still hope the Government will stay in power for a bit longer and a Parliamentary Secretaryship or some other glittering prize would be his provided he did not rock the boat