

interest rate policies, it is the banks that are profiting. This is not a built-in stabilizer that is enjoyed by these workers, small businessmen and farmers of Canada. Perhaps what we should be doing, rather than debating giving away more of the shop to the chartered banks, is aiding workers and small business people in this difficult time.

Another pertinent finding of the Bryce commission was that there are no noticeable economies of scale which attach to the size of Canada's chartered banks. In other words, the banks have not improved their service to customers noticeably, even though they have greatly expanded the size of their operations.

I hope I have given the impression that there are serious problems with the Canadian banking system, its effect on the workings of the Canadian economy, and with the bill which is attempting to defend the status quo in the banking system. Surely the approach we should be taking is this: the large chartered banks must channel the reserves of finance capital they have at their disposal into projects which benefit the national interest, not just those firms with which the shareholders and directors happen to be involved. This most certainly would require much increased regulation of the investment planning and lending policy of banks and financial institutions, both at home and particularly abroad. Also it would require the development and creation of federal government financial institutions, both to plan and co-ordinate banking procedures and to ensure a public presence in this most crucial of economic sectors.

Governments are already involved in protecting the interests of their citizens in a number of countries through their involvement in banking. In France, for example, public and semi-public financial institutions already handle about 85 per cent of all bank deposits. The Japanese Trust Fund Bureau collects a major part of all savings and life insurance payments, which are redistributed through government financial institutions according to a government loans and investments plan, reflecting the priorities of the people of that country and not of the shareholders of the banks. The Italian state holding company, IRI, controls three of the country's largest banks and has holdings in a number of local banks as well. Co-operative banking, much like our own caisses populaires and credit unions, is a major part of the public banking systems in West Germany, Belgium, Denmark and The Netherlands. Of course in Norway there have been some sweeping changes to the structure of boards of directors of banks, reflecting the importance of public involvement in this critical economic sector.

I do not produce these countries as any particular example of socialist economies. Indeed, for the most part, they are dominated by production by large corporations. But in each of these nations the state has accepted a degree of responsibility on behalf of its people for ensuring that the public interest is represented in the banking system. And so it should be; financial institutions should be required, by public ownership where necessary, to be made more responsive and more accountable to meeting needs in capital availability.

A responsible government in this country would control and direct investment through a combination of stringent regula-

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tions and public ownership of financial institutions. A prerequisite of national planning must surely be a firm grasp on the financial mechanisms of the country. This must include control over major investment decisions of large corporate interests. Public ownership should be an important tool in national development. Public ownership and solid support for the co-operative and credit union movement and stringent control of the banking system should be a major first step in such development now. Canada's banking system must serve not just the narrow and increasingly concentrated corporate sector, but all of the people of Canada. As New Democrats we are committed to fundamental changes in the economic and social fabric of our society.

I can do no better than to quote from the words that were first written down in July of 1933 in Regina by a group of people who founded the Co-operative Commonwealth Federation. They said the following:

We aim to replace the present capitalist system, with its inherent injustice and inhumanity, by a social order from which the domination and exploitation of one class by another will be eliminated, in which economic planning will supersede unregulated private enterprise and competition, and in which genuine democratic self-government, based upon economic equality will be possible.

Those words ring as true today as they did in 1933. In conclusion, I should like to say that it is imperative we bring our banking system under control.

Mr. Deputy Speaker: Order, please. The hon. member for Okanagan North (Mr. Dantzer) on a point of order.

Mr. Dantzer: Mr. Speaker, I wonder if the hon. member would entertain a question.

Mr. Deputy Speaker: That is not a point of order, but will the hon. member for Burnaby (Mr. Robinson) entertain a question?

Mr. Robinson (Burnaby): Mr. Speaker, I will proceed with my speech, and if there is time for questions at the end I will attempt to deal with them.

In concluding, then, we must bring our banking system under public control if we are to pursue and realize these essential goals, goals which more than any other constitutional changes or tinkering with the constitutional system will surely help in this critical period in our history to keep Canada a strong and united nation.

Some hon. Members: Hear, hear!

Mr. Deputy Speaker: The hon. member for Burlington (Mr. Kempling) on a point of order.

Mr. Kempling: Mr. Speaker, the hon. member who has just spoken made reference in his remarks to comments which he alleged were made by myself at the time the Bryce commission report was tabled. I would just like to correct the record. He was not here, so he does not really know. I cannot say that he did it purposely, but let me say that the colour of the book was blue. I was asked what I thought of the Bryce report and I said that it was blue, because I had not read it. I didn't say it was