

*Bank Act*

Therefore, Mr. Speaker, I do not think this bill is the answer. We should not forget, and I wish to emphasize this for the benefit of my hon. colleague opposite, that the Act already confers on the Inspector General of Banks the power to hold an inquiry as described in Section 246(6), which says, and I quote:

The Inspector has all the powers conferred on a commissioner appointed under Part II of the *Inquiries Act* for the purpose of obtaining evidence under oath, and may delegate such powers as occasion may require.

The important thing here is that the Inspector General of Banks already has quasi-judicial powers under the *Inquiries Act*. These, however, extend only to the Bank Act and not to the Criminal Code. Therefore, if we want to add, and I do not share this view, a Criminal Code responsibility to the responsibilities of the Inspector General in the Bank Act, we shall need an amendment, and that amendment is the one being proposed by my colleague opposite. We on the Government side cannot support this amendment because, Mr. Speaker, as you are aware, we have our police forces, including the Royal Canadian Mounted Police, the *Sûreté du Québec* or the Montreal Police, which have special squads to investigate crimes such as business frauds, fraudulent bankruptcies and shady banking transactions, and these officers are experts in that area. When a complaint is made involving the Criminal Code, when there is the possibility of a criminal offence, it is really up to the officers of the peace to ensure that justice is done.

In recent years we have seen a number of major arrest and convictions thanks to the fact that these excellent officers did their job. It is their responsibility and not that of the Inspector General of Banks to hold that kind of inquiry. I feel that police officers and members of the judiciary who are specialized in business crime should have that responsibility. I know someone is going to say: Sure, but what happens if the Inspector General of Banks suspects fraudulent or criminal activity or if someone informs the Inspector General that he suspects something? The answer is simple. The Inspector General can communicate his information to the RCMP if the charges involved fall under their jurisdiction, or otherwise, he can transmit the information to the Montreal Police or the *Sûreté du Québec*, depending on their respective jurisdictions, and of course depending on the location where the offence was committed.

Mr. Speaker, in the past—and I remember that the Member for Edmonton West often brought this up in the Committee on Finance, Trade and Economic Affairs—before the present Act, the word bank was often misused. Some companies were using the word “bank” to designate institutions which were not banks. The Royal Canadian Mounted Police had to investigate with the help of experts, and the investigations were made because the offence came under the terms of the Criminal Code. The information was sent to the Inspector who would order the RCMP investigation as he was expected to do. If there was a strong case against the offenders, the whole matter

was transferred to the Attorney General of Canada who would then institute proceedings. This procedure used to work smoothly because the Inspector General of Banks—for whom I have a lot of respect and who does a tremendous job, although he has never complained about the fact that he has very few people working for him—has never asked for the authority to extend his jurisdiction to criminal activities.

● (1530)

It seems to me, Mr. Speaker, that if it had been deemed advisable to give him that authority, we would have had to consider that amendment when we sat for hours on end to review the Bank Act, a task that was completed hardly a year or 18 months ago and which lasted for three years. And yet, the amendment was not even mentioned during the debate on the Bank Act. It is important once more to read what is being proposed in Bill C-668. The amendment in sub-clause (4.2) reads as follows:

Where, as a result of an examination and inquiry made by the Inspector under this section, the Minister determines that there are reasonable and probable grounds for believing that an offence has been or is about to be committed, he shall forthwith inform the Minister of Justice of his determination.

It seems rather interesting not to say astonishing to me that if the Minister of Finance, for instance, is required to examine the report and determine whether there are reasonable and probable grounds—I am using the legal terminology with which Members opposite are obviously very familiar—for believing that an offence might have been committed, he informs the Minister of Justice. However, if the Minister makes an inquiry pursuant to sub-section 246(4) as it now reads, and I quote:

The Minister, whenever he has reason to believe that an offence against this Act has been or is about to be committed by a bank or by any director, officer or employee of the bank, shall direct the Inspector to make such examination and inquiry as the Inspector deems necessary for the purpose of determining the facts and the Inspector shall make or cause to be made such examination and inquiry and at the conclusion thereof shall report thereon to the Minister.

Therefore, the Bank Act clearly states that the Minister of Justice must be informed of any irregularity if need be.

Mr. Speaker, may I point out to the fact that banks are already subject to the Criminal Code, which provides for investigation in case of offences, and that these investigations come under the jurisdiction of the police forces and our courts. Moreover, without any evidence to the contrary, Mr. Speaker, I do not believe that there are enough offences such as the Hon. Member opposite seems to fear to justify granting the Inspector General of Banks more power. Allowing him to hire personnel and investigate and adding to the responsibilities already given to him under the Bank Act would not be justified. It seems to me, Mr. Speaker, that this would cause much duplication of efforts.

Moreover, there have been enough complaints about the size and cost of our bureaucracy and I am afraid that such a change would result in more duplication of efforts. Everyone