

*Bank Act*

their signs in that complex. Presumably there has been absolutely no criticism from Ottawa.

● (2152)

Let there be no doubt: I am saying that this is doubly wrong. If the Bank Act indicates that the title "bank" should not be used with respect to financial activities unless the bank is a chartered bank under that act, that is the law and it should be enforced. The government is wrong to allow this encroachment to take place with virtually no regulation.

On the other hand, it is totally wrong for the government not to realize this interest on the part of foreign banks. They give them lip service and encouragement through the white paper, which has been referred to in this debate, but they then let these banks sit in limbo. I know of at least 40 banks which opened offices over 2½ years ago in anticipation of this Bank Act being passed and putting them in a position of carrying on active banking activities. I am referring to banks such as the Deutsche Bank which has assets of \$44 billion. It has an office in Toronto. It is awaiting an opportunity to do business. Perhaps it is indirectly doing some business at the present time. There is also the Dai-Ichi Kangyo Bank of Japan. It has \$43 billion in assets. Also it is waiting to do business. There is the Banco do Brasil which has \$39 billion in assets and is waiting. Also the Crédit Lyonnais, the Fuji Bank, the Société Générale, the Dresdner Bank, the Mitsubishi Bank, the Sanwa Bank, the Barclays Bank, the Bank of Tokyo and the Industrial Bank of Japan are waiting to do business. In the sense of maintaining offices, they are actively waiting to get into our banking system. They feel Canada can be made into an international banking community, yet they have not received the satisfaction of a proper regulation in the sense of having a Bank Act passed in Canada which will permit them to legalize their activities.

The reason I referred to that list is that it is interesting to note that every one of those banks has larger assets than our largest bank, the Royal Bank of Canada. The 50 largest banks listed in the *Fortune* list of the largest banks outside of the United States have total assets amounting to \$1,287 billion. When one considers the potential which exists for Canada if those banks are encouraged to become participants in the Canadian banking community, and adds to that the participants from the United States, it is just great.

**Mr. Gillespie:** What about the Western Bank?

**Mr. Paproski:** The hon. minister should stop making noises.

**The Acting Speaker (Mr. Turner):** Order. The hon. member for York-Simcoe has the floor.

**Mr. Stevens:** I have not heard the hon. minister speak so loudly in the House for weeks.

**Mr. Gillespie:** Perhaps you have not been in the House.

**Mr. Stevens:** I wish the hon. minister would listen to what I am saying.

**Mr. Gillespie:** Oh, oh!

[Mr. Stevens.]

**Some hon. Members:** Order.

**The Acting Speaker (Mr. Turner):** The hon. member for York-Simcoe has the floor for the purpose of making a speech. I suggest hon. members listen.

**Mr. Gillespie:** How are the deposits in the Western Bank now?

**Mr. Stevens:** I would have thought the Minister of Energy, Mines and Resources (Mr. Gillespie) would be tracking down a few of the payoffs which have occurred in the Crown corporations that he is responsible for.

**Mr. Paproski:** That shameful minister!

**Mr. Gillespie:** Oh, oh!

**Mr. Stevens:** Perhaps the hon. member should do that, instead of talking about something he does not have one tittle of knowledge about.

There is an opportunity in Canada, if the Bank Act is revised to permit international banking activities in Canada under proper regulation. That opportunity should not be missed. It is most unfortunate the Minister of Finance, the hon. member for Rosedale (Mr. Macdonald) and the Hon. John Turner have systematically postponed the revision to the Bank Act. I will go through the sequence of how they did that tomorrow. It is unfortunate that on the eve of the first extension to the Bank Act there is a request for a further one-year extension from the end of March. That is the first point I should like to make.

**Mr. Gillespie:** What is your second point?

**Mr. Paproski:** I think the hon. minister should listen.

**The Acting Speaker (Mr. Turner):** The hon. member for York-Simcoe has the floor.

**Mr. Stevens:** I have patience for the minister. Obviously the stress and strain of his office on his weak mind is showing tonight.

International banks are interested in doing business in Canada. If we get on with revising the Bank Act properly, they can be regulated. I could be an asset to Canada. We must not forget that Canadian banks have been active in foreign countries of the world, and that is what this banking reciprocity is all about. One of the objectives in the revision of the Bank Act will be to ensure that the competitive position which has been built up by our banks around the world is maintained. Since Canadian banks are allowed to do business in some foreign countries, those countries should have some right to do business in Canada, thus maintaining our competitive position.

May I call it ten o'clock?