

Bank Act

Mr. Chairman, when one sees that the federal government is controlling the economy, that banks, after all, are institutions applying daily the general policies of the federal government, when one sees that the future is that grim, how can simple people like us, who did not have the opportunity of learning all the intricacies of our financial system, not be concerned about the future?

Has any thought been given, when drawing up those laws—because I have always been told that financiers and even financial experts had neither heart nor soul; but they must have, for even financiers have some concern, as human beings, although it seems to me they do not when they are drawing up laws—to the effects they would have on the mass of the Canadian people, on the small wage-earner who, becomes jobless, or on the small business man whose enterprise is placed in jeopardy when their credit is cut off? I wonder, and I am really looking at this objectively.

But the economist I have mentioned is not the only one who is pessimistic. I see in the *Commentator*, another English magazine from Toronto—a financial centre if there ever was one—an article which I would like to quote verbatim so as not to run the risk of translating it badly:

[English]

If we look back over the budgets of the five years ending this coming December, we see that we had substantial budgetary deficits every year and that these aggregate close to 2.5 billion dollars. In a full ten-year period, the total comes to about 3.6 billion dollars; in only one of these years was there a surplus. You don't have to be an accountant or an economist—indeed one needs no expertness at all—to know that this is a financially precarious course. How can we disagree with some "authority" who forecasts a financial collapse down this road of continuous extravagance?

• (9:30 p.m.)

[Translation]

Mr. Chairman, once again, for simple minded people like me and the people on whose behalf I speak, such statements are rather disquieting and I cannot but recall this caricature which appeared in the *Globe and Mail* a few days ago. It showed a poor devil, in rags, unshaved, standing on a street corner where a lot of well-to-do people were going about—it must have been Bay Street, in Toronto, or St. James Street, in Montreal. He had in his hand a small tin and on his chest a sign which went something like this: "Please help me. I have a wife and three governments to support." There is no doubt that he was in a rather serious situation and it is more or

less how he feels when confronted by all those complicated illustrations put before him now.

I should like to quote another testimony to show that not only in simple circles are people concerned with the financial future and wonder whether the banks' role will be the creative role it should be, whether it will promote intense circulation in the economic arteries of the nation.

In a lecture delivered in 1966, Mr. Neil J. McKinnon, chairman of the board of the Canadian Imperial Bank of Commerce, said:

—there is a shortage of investment capital throughout the world, and in a country where this shortage is such as in Canada, foreign investments should not be discouraged.

Mr. Chairman, that worries and puzzles the simple people that we are, because without foreign investments, especially with the present controversies, economic development will slow down rapidly.

And Mr. McKinnon adds:

Very substantial capital investments are essential to improve production processes and increase productivity.

Well, it was said this afternoon that there are about 390,000 unemployed in Canada, and 160,000 of them are in the province of Quebec. A few days ago, I read an article stating that, in addition to these 390,000 unemployed, there must be from 100,000 to 125,000 unemployed who are not registered and not included in statistics.

Mr. Chairman, it must be admitted that this situation does not help the butchers, the grocers who want to see their bills paid and who know what worries are.

The chairman of the board of directors of the Canadian Imperial Bank of Commerce said further:

On the other hand, if American investments in Canada are very high, Canadian investments in the United States are also substantial. Direct investments of United States citizens in Canada amount to \$63 per capita, and holding investments, to \$33 per capita. Direct investments of Canadian citizens in the United States amount to \$97 per capita, and holding investments, to \$66 per capita. On this basis, Canadian investments in the United States exceed by two-thirds those of United States citizens in Canada. Total investments of American citizens in Canada, according to the latest statistics, amounted to 18 billion dollars, and those of Canadian citizens in the United States to more than three billion dollars.

This might look like double dutch to many of us, but we can still understand that considerable sums are involved. Does it reflect the situation accurately? Should we infer that our federal government, with the support of