

*Continental Bank of Canada*

does not want to become a bank because of its generosity, it does not want to become a bank simply because that would serve Canadians. I refuse to swallow that.

● (1710)

Mr. Speaker, it is important to realize that finance companies in Canada have always been scorned by almost all Canadians, especially those who had some knowledge of either social or economic issues. They were considered as big villains, as loan sharks.

Every time we talked about the bank system, the chartered banks, the process of creating money, every time we said that chartered banks systematically control the Canadian economy, the government as well as the provinces we were told by the Liberals that it was not true. They tell us it is an extraordinary and excellent banking system and that there is much to be said for the Canadian banking system because, thanks to it, our economy is sound. The Liberals find the proposals of the Social Credit Party concerning the bank system ridiculous. When we tell them it is only normal that a country should control its own economy, namely the money, the Liberals find this funny.

And now, Mr. Speaker, the Liberals have become the sponsors, the supporters of a finance company which is aiming at changing into a chartered bank. First of all, Mr. Speaker, this is proof that our banking system is a real racket and that it actually exploits Canada. The IAC people who hold capital stock amounting to hundreds of million dollars are no fools, Mr. Speaker. They like to get in where there is money to be made and where there is security. That is why they want to leave the world of finance and become a chartered bank.

They said in committee, and I was there, that the finance market is no longer secure, that it is overcompetitive and crowded, whereas banking is an open field with room for one more bank in Canada. That is why they are applying for incorporation. Mr. Speaker, not only do they wish to incorporate as a chartered bank, but they do not comply at all with the Bank Act nor with the Bank of Canada Act, as one immediately realize upon reading Bill S-30.

Mr. Speaker, Bill S-30 contains more than five exceptions to the Bank Act and the Bank of Canada Act.

My third point is this: Mr. Speaker, IAC which wants to become a chartered bank not only does not comply with the Bank Act, but asks for exemptions on 16 points and, in addition, asks to be given letters patent one year before the ten-year review of the Bank Act due in 1977, as the Minister of Finance (Mr. Macdonald) confirmed again this week.

Mr. Speaker, here is what is most serious about the decision Parliament is about to make. If this Parliament agreed to incorporate this corporation so that the new Continental Bank may transact business, we would thereby create a precedent in our chartered bank system. We would grant letters patent with 16 exceptions to the Bank Act, and the following year the same government would introduce a new Bank Act. And what would the government do with the act it had just passed, which is not yet passed and already contains 16 exceptions?

Mr. Speaker, I suggest that the government is supporting this bill in Parliament because they have financial inter-

[Mr. Fortin.]

ests to preserve or promote. If the government is actually serious and concerned about the Canadian economic situation, it is first going to allow the House and Parliament to conduct an in-depth, responsible review of our banking system in order to correct abuse and then allow IAC to become a bank if they still want to. Mr. Speaker, even if this financial institution waits a year before it is transformed, there will be no great harm done. I would like to repeat that Liberals, with regard to the banking system, are pure hypocrites. They protect the banking system and compromise with it. They allow Canadian chartered banks to generate—I cannot state an exact amount but from memory—I would say 16 times their deposit. They let the population being exploited by uncontrolled interest rates which deprive people and require more of them than they can financially assume. The Liberals protect a banking system which contributes to run our country, our provinces and our municipalities into debt.

The Liberals prevent the provinces, their own partners, from having their own bank. What they refuse to their partners in confederation they are prepared to grant to a finance company. The Liberals are hand in glove with the banking system to protect it, and the list read by the some hon. members of New Democratic Party to the effect that the owners of some banks are also owners of Dominion Stores, Steinberg. This nice big family of nice people, Mr. Speaker, indicates to what extent there is an obvious monopoly in the banking system, yet the Liberals say: We should leave banking system as it is.

When we discuss with the liberals, they tell us: You Social Crediters are very good MPs indeed, but the moment you start talking about the banking system, it's the end of it. They recognize that we are right on many points, but never on the banking system because they are protecting it. So what is their interest in refusing that point be discussed? They prefer to introduce Bill S-30, recommending that Parliament turn a blind eye on 16 exceptions to the law on the chartered banks which Parliament itself voted. They ask us to vote the bill and then, next year, they will ask us to vote their own law on the chartered banks because they, the Liberals, always hold the truth.

As for me, Mr. Speaker, I do not object to the fact that this bill could be voted quickly, I object, on principle, to this bill. I am not opposed to the fact that the IAC become a chartered bank, but I refuse that this company be given letters patent so that it can transform itself into a bank, on the very eve of the day when we are going to decide that the law dealing with the chartered banks be revised. Mr. Speaker, I think we are going a bit to fast, we are putting the cart before the horse.

In committee, it appeared that if passed, Bill S-30 would create a number of precedents. The committee heard a Mr. Read, inspector general of banks, who very definitely stressed the fact that a big financial corporation was attempting to covert into a bank. That resulted from government policy which stimulated competition within the banking system. Some may say there is too much competition within the banking system, others will say there is not enough competition, but this is not the main point. What counts is the reason why IAC wants to become a bank.