

Bank Act

Mr. Ray Skelly (Comox-Powell River): Mr. Speaker, I just had to get up and respond in some way to the very uncharitable remarks made by the hon. member who has just spoken and who, I know, can on occasion be charitable. I take exception to some of the things he said, particularly the statement that the New Democratic Party does not understand the affairs of business.

Mr. Blenkarn: You don't.

Mr. Skelly: As the hon. member was making his comments I was gleaned from this rather scanty article more information than from his presentation. I would like to refer to it in the context of amendment No. 15. What we are asking for in this amendment is a change in the control of large corporations. We would like to see some accountability. We have stated that representatives of the public are accountable and that there should be representation from Crown corporations, but these ideas were no good because the government cannot become involved.

Now we are recommending a provision which would broaden the shareholding base. Banks are so important that the shares should be held by Canadian citizens. There should be a broader holding of the shares of those corporations. With this amendment we are trying to place an obstacle in the way of a situation which is all too common in this country today, one in which a small group of minority shareholders can control large and powerful corporations. We would like to broaden the base of the shares and insist on ownership by Canadian citizens.

These amendments are simple requests to establish Canadian control over the chartered banks by broadening the shareholder base. So far today we have spent most of the time debating fairly important points relating to corporate concentration in the banking industry. All the resolutions introduced today deal with the question of who controls the banks, how broadly they control them and how well they serve the interests of the Canadian people.

The Minister of State for Finance (Mr. Bussières) has said many times today that the banks have lots of competition. For example, he has told us that the credit union movement in Canada is in a very strong position to compete with the banks and that, in fact, it is taking business away from the banks. Credit unions are broadly co-operative organizations. Every member owns a share and can attend an annual meeting to elect a board of directors.

The credit union in my community is a very broadly-based organization which represents the feelings of the community. When I compare the board of directors of that credit union with the board of directors of the Canadian Imperial Bank of Commerce I come up with some very enlightening facts. This article says that in 1979 Conrad Black was on the board. He was not representing a broad base of shareholders, he was representing Argus Corporation. I am learning from the hon. member for Mississauga South (Mr. Blenkarn) who it is that controls the financial power in this country, and I have been working very hard to learn.

Mr. Blenkarn: You will have to work a lot harder.

Mr. Skelly: Who controls the financial power and thrust in this country? Another director on the board of the Imperial Bank of Commerce is Albert Fairley Jr. who is director of the Sun Life Assurance Company of Canada. It says that Mr. Fairley lives in Birmingham, Alabama. He is providing input from one major corporation to another while he lives in Birmingham, Alabama. J. P. Gallagher, another of the movers and shakers in the big corporations in Canada, is also mentioned. When I look at the board of the Courtney Savings Credit Union, I do not see a J. P. Gallagher, who represents Dome Petroleum or an A. D. Hamilton who represents Domtar or a Sydney Hermant, who represents Imperial Optical. Imperial Optical is a great little company. It is too bad that the Minister of Consumer and Corporate Affairs (Mr. Ouellet) is not here tonight because we could have a most interesting discussion about that company on the side.

What we are trying to get at in this amendment and in the whole series of amendments we have proposed today is who controls these banks. Obviously, these banks are controlled by a very exclusive group who represent very few people, and who thus wind up with interests which are not necessarily parallel with the interests of the people of Canada. The hon. member for Bow River (Mr. Taylor) talked about the situation in his province which is similar to the situation in my province, stressing the need for a broader base and more sensitivity to the needs of the people of the western region.

The Canadian Imperial Bank of Commerce also has on its board a representative from LaFarge, a company based in Paris, France. I did not select the Bank of Commerce particularly; I merely wanted to make some remarks to illustrate the problem in front of us. Other members on the board include Albert Powis of Noranda Mines and Gailen Weston from the George Weston group. And here are two more, one from the Sun Life Assurance Company and one from Massey-Ferguson.

When we look at this board of directors we see that it is very exclusive and very powerful. The assets of the Canadian Imperial Bank of Commerce amounted to \$50 billion in 1979, and the company recorded an 18 per cent increase in its assets since 1978. That company is doing very well. But we are not looking at \$50 billion operating in the Canadian economy, we are looking at the interrelationship between the assets of all those other corporations and the Imperial Bank of Commerce. There are even international ties.

I just do not believe that the interests of Canada necessarily dovetail with those of the Imperial Bank of Commerce. I do not believe the minister when he says that the credit union movement is competing successfully with the Imperial Bank of Commerce because they are not in the same ball game. We are talking about a group of institutions which have a budget which is greater than the budget of the Government of Canada.

I am very skeptical when the minister says that the banks are facing real competition. The Toronto-Dominion Bank has total assets of \$28 billion. Again the board of directors includes representatives of the Sun Life Assurance Company. So these companies are not merely associated with one bank,