

Income Tax Act

of a lot cheaper to have a budgetary item in the House of Commons dealing with that creation. These are bankers so let us give them a salary of say \$50,000 on average a piece, a substantial salary according to most Canadians. That cost would be in the order of \$500,000 or \$600,000 a year. If my hon. friends from Montreal and Vancouver want to see 12 jobs created in those communities at much less cost to the taxpayer, then let us do that and save most of \$32 million a year which will be the cost of creating those jobs according to the proposals that we have from the Government right now.

It has been pointed out that the Canadian Bankers' Association does not want this particular measure. In fact, the bankers have had a bit of a conversion about tax expenditures and tax deals that benefit them. I think they shed crocodile tears because they have benefited from the biggest tax boondoggle this country has seen in its history in basically exempting banks from tax over most of the last decade. Alas, the banks are now saying "Gee, we really have too much with those tax exempt shares and the various other deals that allowed us to avoid tax. We do not want that again. In terms of our public relations, it is not good." This they have begun to recognize after having pocketed huge amounts of taxpayers money.

The bankers' reticence on this measure has not cut any ice at all. The Government has decided to go forward. It has provoked what can only be described as a nasty little fight between the three communities that are mainly affected, Toronto, Montreal and Vancouver and, frankly, as a Canadian who has worked in Montreal, grew up in Toronto and was born in British Columbia, I do not think that that kind of thing is good for national unity.

[*Translation*]

Many times, in discussions with the banks and chambers of commerce in the three communities in question, I suggested and I said so in committee when witnesses came to testify, that there should be a better distribution of jobs in our economy, specifically in banking and financial services. This is a very important point. If the Governor of the Bank of Canada during the seven years preceding the appointment of John Crow had been doing his job, perhaps the banks would not have abused the system and would not have been allowed to abuse the system the way they did.

Madam Speaker, if we had had a governor and a government worth their salt, they would have insisted on having a better distribution of jobs in the banking sector than is now the case.

[*English*]

The situation we have right now is that financial jobs have been migrating to Toronto in large numbers. The banks have been moving different sections and so on there, even if they have kept a shell of their head office operations in Montreal. Efforts to establish regional banks in western Canada have not been particularly effective. Vancouver has also seen financial activity migrate to Toronto.

I would like to see a task force established between the Chamber of Commerce and the municipal authorities in Vancouver. Maybe some Members of Parliament from the banking industry and the Department of Finance could look at ways of developing financial and trade related service activities in Vancouver in a way that will be far more effective than a small proportion of 11 or 12 jobs which is all that this measure proposes to us.

[*Translation*]

I would like to see a similar exercise for the Montreal area, Madam Speaker, where chambers of commerce, municipal authorities, even Members of Parliament, private citizens, companies involved in world trade and the Government, the Department of Finance, would work together to try and create the climate for the kind of financial service that does not exist at this time.

[*English*]

I regret with relation to this particular measure the degree to which the Government has, for reasons which I believe are inadequate and unjustified, subverted the parliamentary reform process. Our committee recommended against this measure. Perhaps my colleague would like to ask me about the committee. I think this is a matter which should be laid on the record before the House during this debate on third reading.

We will oppose the Bill for the reasons I have given because we think the Government is wasting taxpayers' money with no discernible benefits. It is unfortunate.

Mr. Baker: Madam Speaker, could the hon. gentleman enlighten the House on the committee?

Mr. Cassidy: Madam Speaker, that is a very intelligent and perceptive question. I will be brief because I know other Members want to speak.

The finance committee has been a pioneer in parliamentary reform. Our work on tax reform demonstrates that; for example, our work on credit card interest rates and on the banking centres. We went to New York and prepared a report, which we knew the Government would not like, but it represented the collective judgment and wisdom of the committee. In addition, the committee has shown that you can have a solid group of Members of Parliament from all Parties who can develop the technical competence and expertise to handle extremely difficult legislation. That is why we have insisted, and it has been accepted, that rather than having legislative committees deal with financial legislation the finance committee does.

The other day when Bill C-64 came before the committee, instead of allowing the committee to do what it would have done—because we know what the report had been on this measure—the Government packed the committee. The Government sent in a number of Members whom we had never seen before. They subverted the integrity and the ability of the committee to work together in future under the reform process