Bank Act

Besides the chilling effects on the union's organizational campaign, the parties, including the employees, are living in an impossible labour relations atmosphere.

Although the board did not find that the specific complaints brought by the Union of Bank Employees against the Bank of Commerce necessarily applied to the Bank of Montreal and the Bank of Nova Scotia, its members said they would be willing to hear submissions from workers employed by those companies as well. That is hardly a vote of confidence in the Canadian banking system.

The November decision was not the first time that the chartered banks had been found in contravention of the Canada Labour Code, either. In her report to the Canadian Advisory Council on the Status of Women released last month, staff member Julie White notes that the banks have been found in violation of the code for firing workers for union activity and transferring staff involved in a union from one branch to another. They have been found in violation of the code by denying promotions to union members for union activity, having additional workers at a branch in the process of unionization in order to undermine the majority of union members required for union certification, holding both group and individual meetings during working hours to apply pressure on employees to prevent them from unionizing—at these meetings were unknown, high-ranking officials of the bank involved whom the workers had not known before the meetings—requiring workers at unionized branches to make up cash shortages at the end of the day out of their own pockets, contrary to practice in non-union branches.

● (2030)

If Conservative members want to justify this kind of conduct, they will have their opportunity shortly. I see that they support it. That is very unfortunate. This is hardly the conduct of organizations which we should allow to operate in secrecy and confidentiality. We should be requiring the banks to provide more information about their activities, and we should subject them to more public scrutiny.

As noted earlier, it is very difficult to obtain information on the foreign operations of Canadian banks. Even highly-skilled analysts, who make it their business to know about such matters, have reported that they have difficulties getting such information and, when they do, it more often comes from American or host country sources than from the chartered banks themselves.

I might just pause to say that I hope the freedom of information legislation, which has not yet been tabled in this House, will be tabled very shortly to assist us in dealing with this veil of secrecy surrounding the banking system in this country. The banks should be made to own up to their foreign lending because this lending often vitally shapes the *de facto* foreign policy of this country and shapes Canada's overseas image. I do not believe that our image is particularly good in the Caribbean, where the chartered banks have been so active; in Chile, where their loans help support a regime that has been twice denounced by the United Nations for human rights violations; or in South Africa, where a United Nations Com-

mission on Human Rights study reported in 1978 that four of the Canadian banks are active supporters of the apartheid regime.

One other area I should like to mention is that of profit rates. A recently released Economic Council of Canada study reported that the chartered banks had earned excess profits during the study period, 1968 to 1973, of between $219 million and $425 million, depending on the method of calculation. Certainly if my friend on my right in the Conservative party who has been defending the anti-union practices of the banks wants to defend the excess profits as well, he will have that opportunity at the conclusion of my speech.

Some hon. Members: Oh, oh!

Mr. Robinson (Burnaby): If these excess profits resulting from the monopoly organization of the banking system had not been gained, this objective report by the Economic Council of Canada argues that more firms could have entered into the banking field to compete for the available share of the market, and banking services would have been less costly.

If the government really wants competition, I suggest that regulation of the banks and competition with them will do more good than allowing foreign, oligopolistically-organized corporate banks to enter the country. Along the same vein was the Bryce commission report. The hon. member for Burlington (Mr. Kempling) will recall well the Bryce commission report, this whitewash of corporate concentration, because when it came out he said proudly that it was Tory blue, that it was their report. That is the kind of corporate concentration they support. He recalls that well, no doubt.

Some hon. Members: Hear, hear!

Mr. Robinson (Burnaby): The Bryce commission report even suggested that the oligopolistic banking system does not achieve any significant economies of scale whatsoever. In its discussion of the chartered banks, the commission noted that the five largest banks control more than 90 per cent of all banking business in the country. Also it reported that the banks had rates of return between 1968 and 1975 that were larger than those of non-financial industrial firms in this country and of the banks in the United States. The Economic Council of Canada study comes to the same conclusions. Also the Bryce commission points out that the banks enjoy the blessing of a self-correcting mechanism which allows them to profit in times of both slow and expanding economic conditions. It indicates the following:

Bank profit performance over the past decade has not been exceptional in good times.

The commission report indicated that it has been much better than average in bad times because of the following:

In a buoyant economy the banks make money on volume, while in a declining or stagnant economy they make money on spread.

That is the difference between interest rates received on loans and paid out on deposits. So, while ordinary working people, small business people, are hurting as a result of these