

Bank Act

Some hon. Members: Question.

The Acting Speaker (Mr. Blaker): All those in favour of the motion will please say yea.

Some hon. Members: Yea!

The Acting Speaker (Mr. Blaker): All those opposed will please say nay.

Some hon. Members: Nay!

The Acting Speaker (Mr. Blaker): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mr. Blaker): Pursuant to Standing Order 75(11) the recorded division on the proposed motion No. 49 will be deferred.

We now move to motion No. 50.

Hon. Marcel Lambert (Edmonton West) moved:

Motion No. 50

That Bill C-6, an act to revise the Bank Act, to amend the Quebec Savings Banks Act and the Bank of Canada Act, to establish the Canadian Payments Association and to amend other acts in consequence thereof, be amended in clause 2 by striking out line 29 at page 308 and substituting the following therefor:

"ten per cent of the total domestic assets"

● (2120)

He said: For the edification of certain members who felt I was wrong on my last stand and perhaps for the edification of the minister who came in contact with this act only this year, I want to point out that motion No. 50 is designed to restore to the legislation a conclusion which the banking committee reached in March, 1979. It was composed of senior members on the then government side along with others from this side.

The whole question had been very carefully considered with witnesses and public testimony, and had been discussed with the Inspector General of Banks. It was decided that the volume of business to be ultimately allowed for foreign banks within ten years, bearing in mind the degree of inflation that might be around, could go up to 10 per cent of the total domestic assets of Canadian banks. The original white paper had said 8 per cent of the assets contained in schedule Q, quite a different formula. I remember the then member from Montreal, Mr. Jacques Trudel—I see his successor—had been successful in negotiating on the government side and that was for 10 per cent. That was a more appropriate figure. Lo and behold, somebody in the Department of Finance or the Inspector General of Banks put it at 8 per cent. No one has ever told us why. There have been no reasons other than it was a judgment decision.

In putting forward this amendment, I want to question the inability to obtain the information as to why it was done, and to establish that bureaucratic decisions shall not prevail over decisions of House committees. We are charged with determining the policy and the legislation. I find it, frankly, a

supine attitude to accept, if we accept it, that the bureaucracy should tell a House committee or this House what policy should be.

I have put down this motion to discuss that point and to emphasize it. I do not like that situation. If hon. members will reflect upon it, I think they will agree with me. This happens all too often, particularly in legislation of this kind. There was public testimony. The committee worked hard and came to a conclusion. As is often the case, there was some negotiation. Then some faceless individual in the background made a change. They told me that the cabinet approved. Even on this side, I can tell you how cabinet approves. The bill slides through and that feature does not get drawn to the attention of the cabinet committee or of the whole cabinet in approving the legislation.

I know what happened at the time the hon. member for St. John's West (Mr. Crosbie) was minister of finance and a bill was okayed to go through with the figure changed. I do not know who changed it, but it was changed to some figure judged more important by a bureaucrat. That has to stop. If a House committee decides as a matter of policy that there shall be a certain level of activity by foreign banks as compared with Canadian banks, it is not up to any bureaucrat to downgrade that figure.

The minister cannot tell me why it is at 8 per cent. He has not been told. He was not responsible for that, except in the technical sense that he has been charged with bringing the legislation forward in this House and must assume responsibility for it. However, the point I want to make is that he does not know.

When dealing with my previous motion, the minister said he thought we already had sufficient information. The minister should blush a little, because the motion now before us points to a situation in which he knows the committee did not have the information it should have been given. We should have much more information. The previous committee set the figure at ten. The minister in this legislation says it is eight. No reasons have been given for the change.

Long before this minister ever came near the legislation, somebody had written in the figure eight. Why? That is something that we, as legislators, should know. It is a situation over which we have no control. We do not have the control over legislation that we should have in Parliament. That is a regrettable lesson I have learned over many years.

[*Translation*]

Hon. Pierre Bussières (Minister of State, Finance): Mr. Speaker, the hon. member is no longer asking why we do not accept his amendment, but why a suggestion made by a previous committee was not retained by the government. If we consider the amendment put forward by the hon. member for Edmonton West (Mr. Lambert), we see that it would increase the maximum of the collective domestic assets of foreign banks to 10 per cent of the domestic assets of all the banks which are