

Continental Bank of Canada

I attended a couple of the committee meetings. As a result of the questions that were asked and the forthright replies that were given, I took it that this House ought to be satisfied there is no impropriety relating to acquisition of the shares in question. I very much regret hearing the hon. member referring to the issue again. I was surprised at the end of it to hear him say that is not an issue as far as he is concerned.

I want only to make three points. I think it is totally unfair to hold up the bill on the basis of these three points. First, he stated that there was a failure of the government or of this parliament to enact a general procedure for the incorporation of banks. We have had such a bill kicking around for a long time. It is regrettable that the bill has not yet been brought into law. If it had been, this whole procedure might well be unnecessary, although there are a lot of aspects of this incorporation which would be looked at in the course of reincorporation. They would have been looked at in some other way if that bill had been brought forward.

I want to argue that the NDP, if anyone, should know how scarce the time of this parliament is, how important it is that we try to organize our time better and that all sides of the House try to co-operate with that objective so that it would be possible to get more legislation considered in this chamber. Certainly, if we had other rules an allocation of time or a better spirit of co-operation among all parties it might well have been possible to have had that banking bill made law by now. In any event, I argue that it is totally unfair for these applicants to be made the whipping-boy for the failure of parliament to deal with that legislation and make it law.

Second, the hon. member raised some objections, which I share, with regard to members of the Senate serving as bank directors. In the case of the banking group which is before us, if what he says is true—and I do not question it—there are some senators who will be directors of the new bank. That may well be agreed to be improper, but there are other banks which have senators as directors.

Mr. Saltsman: Mr. Speaker, I rise on a point of order. If I left that impression, I should correct it. The two Senators I referred to were not directly involved in the IAC conversion, and in fairness to them I should point that out. They are involved in the banking industry generally, so I am sorry if I left the other impression.

● (1730)

Mr. Kaplan: I accept, of course, the hon. member's statement, but in view of what he says I think his criticism is even more unfair. We have before us innocent applicants who do not include Senators, and they are being made the whipping boy for a standard of conduct by Senators to which the NDP, or at least the hon. member, objects. I do not think it is fair that an application which is otherwise valid should be held up and debate prolonged because some other standard ought to be imposed in the other place governing the conduct of Senators. I would urge the hon. member to withdraw his objection to this application on that ground.

Finally, Mr. Speaker, I would argue that he is using this application as a whipping boy for the whole capitalist

[Mr. Kaplan.]

system. He does not believe it is in the public interest as a whole for banks "to do their thing," if I can put it that way, and participate in the market place in a way they consider to be in their own interests. We believe that the public interest is served by private corporations operating toward private objectives. He may have a great many complaints about the banking system in Canada and about whether the banks work well for us, but he has not said anything to indicate that this bank will work in any worse way than the others.

If the hon. member has an objection to the banking system it should not be used to prevent a new bank from coming on the scene and participating as a bank in the market place. If our banks have not served Canada well, that certainly is not something that should be laid at the doorstep of IAC and the new Continental Bank which hopefully is to be shortly incorporated.

For my part, although I think the banking system has flaws, it is an industry that is constantly under review by government and is reviewed every ten years by parliament. On the whole I think Canadians have good reason to be proud of their banks and the role they play in the development of our country. If he has objections to them, again I urge the hon. member not to use those objections as a means of preventing this particular worth-while application from proceeding.

Mr. David Orlikow (Winnipeg North): Mr. Speaker, we have before us a proposal to permit establishment of a new bank to join the banks we already have in our country. This application comes at a very interesting time. I am not surprised that some new group wants to get part of the action because bank profits have been rising very sharply, by anywhere from 25 to 50 per cent per year, over the past three or four years. Last week in fact the *Toronto Globe and Mail* reported that bank profits for the previous quarter had increased by 35 per cent over the same period a year earlier.

It is somewhat ironic, to put it mildly, that the newspaper reports which indicated that bank profits for that quarter were up by 35 per cent also indicated that this, what I consider to be massive increase in profits, was within the guidelines established by the Anti-Inflation Board.

The Government of Canada is proposing, and parliament is approving, legislation that restricts the increase in wages and salaries which most citizens in Canada will be able to receive, which interferes with the free collective bargaining system as we have known it. The legislation, in effect, says to any group of workers that they may not get an increase in wages in 1976 of more than 10 per cent over what they received in 1975 except under very special circumstances, which have never really been spelt out by the government in the law or regulations, or in any kind of detail by the Anti-Inflation Board.

In the city of Winnipeg the transit workers are on strike. These workers run the buses upon which so many people depend; workers need them to go to work and senior citizens depend on them to visit friends and relatives. These workers have been on strike for over 7 weeks because the city of Winnipeg has said that its interpretation of the Anti-Inflation Board ruling is that these transit