

What causes me concern is that in recent years a number of new banks have been established by Parliament and, generally speaking, they have met with only limited success. On one occasion several banks were chartered within a very short period of time and their affairs did not work out well. I need not go into the details of each case, but they are moving ahead very slowly in most instances and in one case they are not moving at all.

We must assume our responsibility in this House to see that the great international reputation of Canadian banks is not jeopardized by anything we may do. If the institution which we are considering called itself something other than a bank, I would have no hesitation. I assume that the people who are applying for a charter, the people behind the application, are reputable Canadians, people who believe they can establish and operate a bank in the finest traditions of Canadian institutions. I have no hesitation about making this assumption, otherwise I do not believe the bill would have got this far; I do not believe it would be sponsored by a member of the House if he had not formed the opinion that it was well backed and well financed. But this institution is, if approved, to be a bank. It will be a Canadian bank, and when it is operating the reputation of all Canadian banks will depend upon the latest, the newest and the weakest in the banking system. The matter should, therefore, not be dealt with lightly.

I hope the Committee on Finance, Trade and Economic Affairs will closely scrutinize the details of the bank, the ability of the people behind the application, the opinions of the government officials who have been dealing with it and the views of the parliamentary sponsors who have brought the bill this far. The conditions set out in the Bank Act must be strictly enforced and supervision should continue beyond the initial stage.

• (1750)

That, in effect, is the concern I wanted to express. These bills are brought before the House on an occasion such as this, and those who have not been involved closely with the establishment of the bank and do not know the background are very poorly equipped to come to the real decision that we have to make this afternoon as to whether we have a properly sponsored and well financed bank. I do not think we have this background or adequate information. Neither do I think we can expect to be given it in the few minutes that the sponsor had to present his case. Rather, I believe the situation demands very close attention in the standing committee.

I do not intend to oppose the bill. Obviously, certain conditions at the start must have been met; we can only make that assumption with nothing further to go on. But I would sound a note of caution. I am sure that the members of the standing committee, as well as the officials who have to set up the bank and secure financing, who have to verify that all conditions have been met, will be very careful on behalf of the Canadian Parliament and the Canadian people to see that the bank operates as a good Canadian banking institution. If they do that, then I think their purpose as well as ours will have been met.

The Acting Speaker (Mr. Laniel): Is it the pleasure of the House to adopt the said motion?

Some hon. Members: Agreed.

Federal-Provincial Fiscal Arrangements

Mr. Peters: On division.

Motion agreed to, bill read the second time and referred to the Standing Committee on Finance, Trade and Economic Affairs.

Mr. Knowles (Winnipeg North Centre): Six o'clock.

The Acting Speaker (Mr. Laniel): Does the House agree to call it six o'clock?

Some hon. Members: Agreed.

The Acting Speaker (Mr. Laniel): The hour appointed for the consideration of private members' business having expired, I do now leave the chair till eight o'clock p.m.

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

FEDERAL-PROVINCIAL FISCAL ARRANGEMENTS ACT, 1972

AUTHORIZATION OF FISCAL PAYMENTS TO AND TAX COLLECTION AGREEMENTS WITH PROVINCES

The House resumed consideration of the motion of Mr. Turner (Ottawa-Carleton) that Bill C-8, to authorize the making of certain fiscal payments to provinces, to authorize the entry into tax collection agreements with provinces, and to amend the Established Programs (Interim Arrangements) Act, be read the second time and referred to the Standing Committee on Finance, Trade and Economic Affairs.

Mr. David Orlikow (Winnipeg North): Mr. Speaker, in my remarks earlier this afternoon I tried to point out the problems that would be created for the provinces by the unilateral decision of the federal government to limit the increases in the contributions that the federal government would make to shared-cost programs such as health services, post-secondary education and other programs. I dealt in some detail with the problems that will confront the provinces as a result of the decision of the federal government in respect of health services.

I want to deal very briefly with the decision made by the federal government and referred to yesterday in the speech of the Secretary of State (Mr. Pelletier) with regard to the financing of post-secondary education. Since 1966 we have had an agreement under which the federal government has paid approximately 50 per cent of the cost of education at the post-secondary level and particularly in respect of universities. Now the federal government has decided unilaterally, I think, although the minister tries to give the impression that this proposal had the agreement of the provincial ministers, that the federal government's increased contribution to post-secondary