

Government Orders

Reform started in 1985 with the green paper, followed in 1986 by a blue paper. In September 1990, this government released a white paper on financial reform. It is only now after six solid long years that this government finally dragged itself into this House and is looking to finally start debating some of the actual legislation.

For too long this government has been holding the bank and federally regulated Canadian institutions at bay. They are outraged. This is gross negligence. This has to come to an end.

Our financial institutions are thirsting and must be given new powers they need to compete in new global business environments. We must also strive to ensure that Canadian consumers are well served and that the strength of the Canadian financial sector is not only protected but enhanced.

This government's slowness also has been damaging and is not helping our financial institutions compete and bring forward necessary reform to protect depositors.

Until Bill C-28 the new insurance legislation becomes law, insurance companies will continue to have to make complex legal arrangements to accomplish things which the old act allows but makes very difficult.

One can spend a great length of time discussing both Bill C-19 and Bill C-28 in detail. Together these two acts are over 800 pages and each is over an inch thick.

I want to briefly explore the various arguments received from various groups and individuals that banks should be able to retail insurance through their branches. On one side, it could be cheaper and more convenient for the consumers.

On the other side, people are saying that there are 170 companies, and 20,000 agents who could lose their jobs. There is something that we have to balance here. We have to look at it very carefully. We have to weigh the 20,000 jobs against the jobs that could be created. Will these jobs be sincerely lost or will these jobs be shifted from the insurance to the banks?

I have talked with many bankers and I have talked with many insurance agents. They give me different views. I, as a normal Canadian, would think that if I am given any opportunity to compete I might save some money. People are saying that they might save to the tune of thousands of dollars per year.

Let us explore these possibilities. An average Canadian family has two or three cars in a home. The insurance on these vehicles and the house could be to the tune of about \$1,500 to \$2,000. If I, as an ordinary Canadian, can have the opportunity to save \$200 or \$300 by going to an institution such as a bank, why should I not be given that opportunity.

This proposal is one that needs extensive examination.

Another issue given in this definition that we on this side of the House are quite surprised with is when the American Express was granted its foreign bank licence. AMEX clearly is not a bank in the United States. However this government said that AMEX met its legal definition of a bank.

It is also very important to examine when AMEX was given its bank regulations or the right to become a bank. Why was it given that particular right? We saw the ads in 1988. AMEX was in support of free trade and the government held the carrot and said: "You support free trade and we are going to give you your Bank Act." And the government did. On November 21, 1988, election day, AMEX was given the right to become a bank.

The government misled the Canadian public. It led us down a garden path. Free trade will be good for you. I am not going to go into discussing the details because we see the result daily. We are losing jobs to south of the border and now we are about to engage in something altogether different.

Now this government wants us to engage in a new free trade agreement. It wants to broaden, to create a bigger speck. It wants us to get into a free trade deal with the U.S. and Mexico. There are those people who say: "If you do not get on board you will be left behind". There are other people who say: "We need to deal with Mexico".

Well let us examine those possibilities. Do we need a free trade deal with Mexico? Can we compete? Do we need to compete with 86 cents per hour? Do we need to compete with a country which has environmental protection at the bottom of the pits? Americans as recently as