

Bank Act

The first would be the establishment of some indirect control over interest rates, because if this bank acted in the public interest it would apply interest charges which were justified, and because of its very existence the other banks would have to fall into line. In the second place it would help push the banking system into serving social purposes. If the private chartered banks were unwilling to make certain loans which the economy required, which fairness required, which equity required, then those customers could go to the government-run bank and, if it were run efficiently and in accordance with equitable social principles, its facilities would be available for them to use.

I ask: Who is doctrinaire? Who is being governed by a fetish or, as the hon. member for Nanaimo-Cowichan-The Islands put it yesterday, who is acting in accordance with irreverent religious faith if it is not the Minister of Finance and the hon. member for Edmonton West? What my hon. friend recommended in the committee and what he recommended in his speech yesterday was not anything doctrinaire; it was a practical proposition for a form of regulation, a form of public intervention which would make the banking system a little more human—note, I do not say “human”; I say “a little more human”—than in most cases it is.

This is why I feel very distressed about the bill which is now before us. My hon. friend from Nanaimo-Cowichan-The Islands supported the idea of giving Citibank five years during which to divest itself of the 75 per cent of its interest in the Mercantile Bank. He explained yesterday—and I fully appreciate and respect his position—that if we are not willing to buy up 75 per cent of the Mercantile Bank now and place it under public ownership, we should not be irresponsible and make it impossible for anything to happen—remain, as it were, in a strait-jacket. If we do not act sensibly and make Mercantile into a publicly owned bank, we should do the practical thing and give Citibank an opportunity to divest itself of the 75 per cent interest as the legislation requires.

What will happen during these five years concerns my hon. friend; it concerns me, and I hope it concerns the minister. In these five years the Mercantile Bank will become a much more powerful institution. I hope that before all the clauses of this bill are finished with, the minister will be able to assure this parliament that he has ways and means of obliging Citibank to divest itself of 75 per

cent of its interest in Mercantile Bank within the period allotted.

I sincerely hope that five years from now we shall not find ourselves in an even worse position than we are today because the shares of the Mercantile Bank will be much more expensive, the bank will be a much more powerful institution and the government of the United States, particularly the secretary of state of that country, will be even more angry at any steps which may be taken to deal with an institution which will have become much more powerful than it is now.

The Chairman: Order.

• (9:20 p.m.)

[*Translation*]

Mr. Mongrain: Mr. Chairman, I shall try to be brief. At first, I was not going to take part in the discussion of this bill, because I find it very technical and I readily admit my incompetence.

But I want to tell the house what happened to me last night. I was reading a newspaper from western Canada which reported: The review of the Bank Act has been awaited for two years and it is to be hoped that, after all the time lost on the Munsinger case, the Spencer case, unification, the flag debate, the furniture matter and all that, our parliamentarians will take the time to discuss the Bank Act and to express the views of the poor man.

It is therefore the poor man's point of view that I wish to express this evening, Mr. Chairman, and my remarks will deal with that masterwork of technical complexities, the details of which baffle me, as is probably true also for a great number of members.

Interesting points of view were expressed to which I listened very attentively, because I think I am not the only one concerned with trying to pass legislation that will be able to meet the needs of the mass of the people. Other members have the same concern while expressing other points of view, but the views of an independent member possibly contribute something different.

For instance, I have listened attentively to my friends of the Ralliement or others who, with exemplary conviction, preached monetary reform and, at this point, I should especially mention how much I admire the force of conviction and the tenacity of the hon. member for Compton-Frontenac (Mr. Latulippe). We know the member for Compton-Frontenac as a modest man, as a man who normally does not seek the starring role but who is inspired by such a deep-seated conviction that he will