

Bank Act

You will understand, Mr. Speaker, that the sooner the Bill is passed, the sooner Canadian consumers will benefit.

Mr. Waddell: Mr. Speaker, my question is for the Parliamentary Secretary. He talked about consumers' freedom to choose among the banks. I think that it is often difficult to change from one bank to another if someone does not like the service charges.

Does the Hon. Member agree with what I said about it often being difficult, if a consumer does not like the service charges, to change banks? That is why I believe this Bill is inadequate.

Mr. Vincent: Mr. Speaker, it makes no difference; I still disagree with the New Democratic Party.

From having worked in the field, Mr. Speaker, before entering this august Chamber, on the contrary, I think that there is competition in the area of bank services, as in any other sector. There is healthy competition.

The consumer, whether an individual, a company or a small business, who does business with a bank, or with a *caisse populaire* in Québec, and who is not satisfied with the treatment he is getting can easily do business with another financial institution and obtain the benefits he desires and the financing he needs, be it personal or for business.

Looking at the number of banking institutions in Canada—banks or any other institution providing financial services—I believe that there are many and competition is very strong. Strong competition means service must be good, at a reasonable cost, if the financial institution is to survive and prosper.

So I think it is easy to change banks at any time to get the services one wants.

Mr. Waddell: Mr. Speaker, I want to ask a supplementary question to the Parliamentary Secretary. For example, will someone who got a mortgage from a bank and who does not like service charges be able to transfer the mortgage to another bank? There will be charges to pay and I don't think he can avoid them.

Mr. Vincent: Mr. Speaker, when a consumer signs a mortgage agreement with a financial institution, he is informed of the related charges. And if he is not happy with those charges, he can shop around and get a mortgage elsewhere under the terms he wants. And it can still be done, Mr. Speaker. We often see taxpayers and consumers who change financial institutions when their mortgage comes due. I don't think there is a problem in that respect.

• (1750)

[*English*]

The Acting Speaker (Mr. Paproski): The Hon. Member for Sudbury on a question or comment?

Mrs. Marleau: First of all to my hon. colleague from the West Coast, I am the Member for Sudbury. I think I look a little different from your colleague in front of you.

Some Hon. Members: Hear, hear!

Mrs. Marleau: To the Hon. Member across the way, he tells this House that there is a great deal of competition out there with banks. I do not know exactly what area he comes from, but there are many areas in this fine country of ours that do not have a lot of banks and therefore there is very little competition.

[*Translation*]

You talked about credit unions. The question I am asking you is this: I have been told that credit unions are totally regulated by the provinces. Is that true? If it is, this Bill will not control credit unions or other financial agencies at all. It will only control the big banks, right? Can you explain that to me? That is why we do not support the Bill as it now stands.

Mr. Vincent: Mr. Speaker, I would first like to say that I agree on one point with my colleague from Sudbury (Mrs. Marleau): She looks much better than the Member from the New Democratic Party. On that, we are in complete agreement.

It is true, Mr. Speaker, that credit unions come under provincial jurisdiction. I mentioned them a few moments ago because I was saying that consumers have the option to do business with several financial institutions. I took credit unions as an example, but I could have referred to certain trust companies who also offer financial services. I mentioned credit unions in that context.