

Bank Act

beginning of January of this year. The first, and I think an extremely important purpose in the light of recent events in this country is to strengthen public confidence in our financial institutions.

I know that all members of the house are aware of some of the events that have taken place in the last few weeks and months which have shaken public confidence in some of our financial institutions. I need not at this time recall the names. They are so well known as to require nothing but reference to the fact that there have been some institutions that have failed or that have had to be absorbed. Indeed, the governor of the bank has said that because of some of these events he had to take very special measures in the administration of monetary policy to maintain general confidence in the stability of our financial institutions. I want to say, Mr. Speaker, that when we do get into the substance of these matters the purpose of the legislation that will be brought forward will be to assure as far as is practicable strengthened public confidence in our financial institutions.

The second purpose that I set forth at the beginning of January this year in my speech to the Canadian Club was that I thought our legislation should promote competition among our financial institutions for the benefit of the public at large. It has seemed to me that this, in general, was one of the main conclusions of the Porter Commission on Banking and Finance that was conducted in order to prepare for these decennial revisions of the banking legislation. I do think that we should, in considering legislation that is to be in effect for the next ten years, do as much as we can to promote competition among those institutions.

The Porter Commission went to some pains to point out that some of our existing legislation does have the effect of limiting this competition to the detriment of the public. Therefore I feel that we should, in our legislation, be striving to put forward legislation that will promote healthy competition for the benefit of the public at large. The financial legislation that will be coming forward, and this bill that is now before us for second reading is the first of a series of bills, will be of the utmost importance not only to the business and to the financial community but also to the little man in this country.

It will be the purpose of this legislation to promote the welfare of everyone. The purpose of this legislation will not be to protect

the financial institutions. It will be to see that these financial institutions operate in such a way as to be of benefit to the population at large. I say that, Mr. Speaker, because sometimes I have seen suggestions that certain changes that are being proposed by various people they are sometimes attributed to the government although the government has not yet made up its mind on the substance of these matters—are somehow directed toward benefiting financial institutions. I should like to say as the Minister of Finance that my chief concern is the welfare of the population at large. I should like to see financial institutions operating in such a way as to be of the maximum benefit to the public at large.

Mr. Starr: I beg your pardon?

Mr. Sharp: The financial institutions can look after themselves very well, and I would hope that our legislation will be of such a character as to promote the general welfare of the public. That will certainly be our purpose.

Mr. Lewis: You are spinning it out admirably.

Mr. Starr: You have 20 minutes to go.

Mr. Sharp: I am sure when I say this that I speak for all sides of the house and for all members.

Mr. Churchill: Would the minister permit a question?

Mr. Sharp: Certainly.

Mr. Cameron (Nanaimo-Cowichan-The Islands): On a point of order, Mr. Speaker, I wonder whether the hon. minister could relate his remarks to the principle of the bill before us?

Mr. Churchill: I withdraw my question because it is the same as the one that has just been asked.

Mr. Sharp: Mr. Speaker, I was saying that this is the first of a series of bills that will be coming before the house, and I thought it would be reassuring to the house when it is considering this first measure, which is for the purpose of extending the charters of our banks for a limited period—

Mr. Nielsen: We know that. You have already said that once.

Mr. Starr: Twenty minutes to go.

Mr. Sharp:—to know that we are seriously considering the nature of the amendments that will be coming forward and that will have to be dealt with by December 31.