

appropriately, Mr. Speaker, is the ownership provision. We felt strongly about this when we looked into this whole matter in the Finance committee. As a matter of fact, I remember sitting late into the night time and time again looking into concentration in the financial community. As New Democrats, we felt ownership should be limited to 10 per cent, that 10 per cent ownership in a financial institution, like we have at the banks, is a safeguard to keep away from one individual or one group of companies having exclusive domain or having monopoly control over a particular institution.

The Finance committee thought that might be a little bit heavy, although it was okay for the banks of Canada, so they raised it to 30 per cent. They felt that any more than 30 per cent ownership would cause problems in terms of financial corporate concentration in the power exercised therein. This Bill fails totally to come to grips with that. As my colleague from Ottawa Centre indicated, even with the huge Imasco conglomerate it will only be allowed to divest down to 60 per cent ownership in its financial institution which gives Imasco total effective control, to say nothing of many, many others where the control is 100 per cent in the hands of one individual. With all due respect to Arab sheiks, they can come into Canada and pick up a financial institution and own one. That is not what we feel is in the best interests of the Canadian depositors or people doing business with the Canadian financial institutions.

We oppose this legislation. We feel reluctant that we did not have a better Bill than Bill C-42. It is a small step in the right direction. The Bill really fails to deliver the kind of protection that the Canadian public deserves, in terms of shareholders, depositors and those doing business with the Canadian financial institutions.

\* \* \*

#### MESSAGE FROM THE SENATE

**The Acting Speaker (Mr. Paproski):** Before I recognize the Hon. Member for Gander—Twillingate (Mr. Baker), I have the honour to inform the House that a message has been received from the Senate informing this House that the Senate has passed Bill S-11, an Act respecting the acquisition, operation and disposal of the Windsor-Detroit tunnel by the City of Windsor, to which the concurrence of this House is desired.

#### *Financial Institutions*

### GOVERNMENT ORDERS

[English]

#### FINANCIAL INSTITUTIONS AND DEPOSIT INSURANCE SYSTEM AMENDMENT ACT

##### MEASURE TO AMEND

The House resumed consideration of the motion of Mr. Hockin that Bill C-42, an Act respecting financial institutions and the deposit insurance system, be read the third time and passed.

**The Acting Speaker (Mr. Paproski):** Resuming debate. The Hon. Member for Gander—Twillingate (Mr. Baker).

**Mr. George Baker (Gander—Twillingate):** Mr. Speaker, the Parliamentary Secretary to the President of the Privy Council (Mr. Lewis) apparently does not believe that I can deliver a very short address. All I need is one minute—I could take 20 minutes if I wished, but I won't because I understand we are going on to another Bill in a couple of moments—just to put on the record what the previous speaker was talking about. It is interesting to note that none of these people from the Governor of the Bank down to the top management of all of our major financial institutions, to all of the highly paid experts in the financial community during those meetings which took place, knew exactly what they were recommending or what they were about.

It is interesting to put on the record as well that politicians and Cabinet Ministers had meetings prior to the decision being made, and really on their shoulders lies the responsibility of the billion dollars which had to be spent.

There appears in this Bill a section under which fines can be levied for "not sound business and financial practices". It leads certain financial institutions to think twice about taking a chance. In other words, at the end of this month, on Tuesday, the Fisheries Improvement Loans program comes to an end, the Farm Improvement Loans program comes to an end, all of the guaranteed loans to primary producers come to an end unless Bills are passed in this Chamber by Tuesday afternoon, which obviously they will not be.

The Government of Canada, getting out of the practice of guaranteeing loans to small business people, changed the law under the Small Businesses Loans Act. Now, if you are a businessman and you walk into a bank, wanting to start up a business, you have to put 1 per cent up front first. You have to say to the bank manager "Look, I want a loan and I will pay you 1 per cent cash today in order to get that loan because that is what the Government of Canada says in its new Small Businesses Loans Act". The other primary producers cannot even get a guarantee anymore. By putting in this Bill, "not sound business and financial practices", banks will hesitate, they will think twice or three times because if it ever gets in the newspaper that they have been fined for carrying out unsound business practices, as our critic has pointed out, that