

deposits. This happened not too long ago and bankruptcies are taking place all the time.

If the provinces were given jurisdiction under the B.N.A. Act over some aspects of finance, then I believe it would be the responsibility of the federal government to make sure that that jurisdiction was maintained. Otherwise we would run into trouble in many respects. But as I say, I for one believe that any body which conducts financial transactions on the scale of the big corporations across the country should be regulated and inspected under federal law.

The hon. member for Edmonton West and the other hon. member who preceded me indicated that some of these corporations will be free to enter into this scheme and will be made subject to federal regulations and sanctions, if there are any, or to any other restrictions that might be deemed necessary. I firmly believe that regulations should be imposed across the board. All bodies in the financial field should be made to follow the same laws and be made subject to the same inspections. If a man has an automobile he must comply with the licensing laws and have a plate at the back of his car. There must be some sort of regulation in matters of this kind.

Financial institutions which do not want to come under federal jurisdiction and regulations may have very specific reasons. We do not know what they may be. They may be good and they may not; we are not in a position to know. Had there been some control in the case of the last bankruptcy which occurred, perhaps it could have been prevented and the shareholders or depositors would not have lost everything they invested.

The implementation of this scheme may involve some extra cost to the banks, depending on how it is operated and how this insurance is applied. As far as I am concerned, every service one receives should be paid for. I believe the scheme should include both large and small corporations. I firmly believe, as does the hon. member for Edmonton West, that the man with \$100 to invest should be treated in the same way as a man with \$10,000. The Canadian public in the long run will probably pay anyway.

If after examination the scheme is found to be unfeasible, the government can always discard it. If amendments require to be brought in after the minister presents the bill, this can be done. The minister did not give us too much elaboration today, although he did give some guide lines, if I may call them that. But

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we do not know the over-all effects of this scheme.

I submit that the government or the minister will have to decide at some time or other who is who in the financial field, what comes under the federal government and what should be left to the provinces. The hon. member for Edmonton West indicated that two of the biggest trust companies in Canada today, the Montreal Trust and the Royal Trust, are both provincially incorporated. I did not verify this myself, but I think that is so. But any federally chartered company is made subject to federal regulations before it is permitted to operate. They are told what they can and cannot do.

● (5:20 p.m.)

As I say, Mr. Chairman, we must be given some clear-cut statement from the court as to responsibility in this matter. I think this would prevent a lot of speculating and upsetting of the apple cart now and then in financial circles. I only hope in its over-all effects this scheme is not going to permit the bigger companies to become bigger and keep the smaller companies smaller, instead of protecting those who have a right to come within the scheme. After all, it is the shareholders or depositors we are worried about. If the government intends to take steps to protect depositors, it should protect all depositors. I am sure what is good for one corporation is good for another, otherwise there would be something strange about this depositors insurance measure.

The only way to get a clear picture in this matter, I think, would be to submit this bill after first reading to the standing committee on finance, trade and economic affairs. The members of the committee might clear the air in certain respects and obtain opinions from those engaged in the financial field. I am sure the minister would attend such a committee, where he might be asked for and have to give more detailed explanations than he has given in the house, on the over-all effect of the bill. That way we might obtain a bill which would protect all the depositors of this country.

The first concern of governments is to safeguard their economies and financial institutions. If the financial institutions or financial policies of this country collapse, then everything collapses, because finance is the blood of our economy. It is up to us to ensure that we protect all sections of financial fields, depositors as well as others, to foster confidence, for the over-all benefit of the Canadian economy.