

*Government Orders*

I would like to remind the minister of something he said yesterday. He said: "The federal government is the biggest and largest employer in the country". It is. When you are the biggest and the largest employer in the country you have to set a good example in dealing with your own employees, in dealing with the people who work for you. Certainly you do not rob them. You do not rob Peter in order to give to Paul.

The only way to deal with this whole question of economic renewal is by increasing productivity, not by going after the public servants. The hon. minister knows that once we have a Liberal government in place we will deal with the question and in a lot more effective way than the present government is dealing with it. I am sure all my colleagues agree with me and they are clapping.

**Mr. Ron MacDonald (Dartmouth):** Madam Speaker, I wish to say a few words on the three bills before us today. There are three or four bills that this government has introduced after a long period of consultation which effectively restructure and try to modernize our financial institutions.

I will speak briefly to each of the three bills before us today. The Liberal Party supports the introduction of these three bills. We are waiting for them to go to committee quickly, as soon as the speeches are finished today, so that the committee can have plenty of time to look at the technical application of the legislation and hopefully, after listening to witnesses, it will be able to recommend some positive changes to this legislation.

As consumer and corporate affairs critic I am pleased to see, first of all, that this package of legislation, these three bills, opens up the financial institutions to more competition. I for one believe that the consumers' interests are always better served when there is viable competition in the marketplace. These three bills certainly do that. To a certain extent it opens it up a bit. It allows insurance companies to now make loans. It changes the way banks do some of their business. It does not allow them to get into automobile leasing. It does not allow the banks to get directly into insurance. However, it opens it up and allows the banks, if they so choose, to purchase insurance companies.

It also affects the Co-operative Credit Association Act. There are amendments to that act which I think are very progressive.

We live in a country that affords an unusual amount of protection to banks. We live in a country where many times we have seen successive governments come forward and listen to the banks' interests and perhaps not always listen to the interests of consumers. I can say that with some certainty because there is currently a pre-study on the government's bankruptcy legislation. The Canadian banking institution, as highly regulated as it is, is probably one of the most effective lobbies in this country. Any change or potential change to legislation that may affect their profitability is going to be challenged by the banks.

When the banks saw these changes being introduced in these four acts—actually the Trust Act has already been dealt with—they had some concerns because the closed shop they basically were allowed to operate out of, highly regulated by legislation, was being opened up.

I want to commend the government for taking this step because I know it must have been difficult. It has taken a long time to get these reforms put before the House. It has taken a long time and it has taken a lot of lobbying efforts and a bit of spine as well to come forward with the changes we see in these three acts today.

• (1630)

In the Co-operative Credit Association Act, I am extremely pleased to see that they are now going to have the ability to act almost as if they were a bank, but a bank with a heart. The co-operative movement in Canada is a movement we should all be proud of. Personally, I am very proud of the co-operative movement because it had its birthplace in my home province of Nova Scotia. The co-operative movement is very strong in Nova Scotia in the co-operative credit union movement and it is active in agriculture.

The Coady Institute at St. Francis Xavier University is a great example of Canadian brilliance and genius. It takes individuals from Third World Countries and trains them to help themselves, not just to take handouts. It teaches them the co-operative movement and how each one helping another is the way that communities develop.