

Guarantee of Loans to Small Businesses

make this type of loan, if and when there is a demand from the credit unions to participate, then and then only should we consider the necessity of this particular amendment.

Mr. Argue: I rise again to express support of the amendment before the committee and to take issue with those who would belittle the effectiveness of this provision if it were to pass. A great many members have risen in this debate and set themselves up as experts on credit unions, how credit unions are organized and what they stand for. Last night I listened with great interest to the remarks of the hon. member for Marquette. He told us of some credit unions in the country that are organized on a parish or religious basis and certain credit unions that are organized on a professional basis. He mentioned certain school teacher organizations and credit unions organized among the employees in a packing plant, and so on.

I think by doing this, and only doing this, he has given a very wrong impression of the way in which a great many credit unions in this country are organized. In my own province in the main credit unions are not organized on a professional basis or on a religious basis; they are organized on an open basis, with open membership to anyone who will walk into a credit union and say "I wish to become a member". I think the hon. member for Rosthern will agree that in the main this is the way in which credit unions have been organized out there and are carrying on. Initially many of them were organized with the active support and promotion of local members of various religious orders who felt that in promoting a credit union or a *caisse populaire* they were doing a real service for their community, but they have not said that credit union membership should be confined to people because of their profession or because of certain other qualifications.

What we are dealing with here is a suggestion that this guarantee be provided to credit unions and to *caisses populaires*, the majority of which I suggest are operating in such a way that their membership is open to anyone in the community who wishes to join.

The hon. member for Marquette went on, and I quote his words as reported at page 281 of *Hansard*:

I have yet to hear of small businessmen organizing a credit union of their own for mutual help.

Well, I have not heard of the businessmen we are talking about in this bill doing this, either. I think this is something of a slur on businessmen, because there are a great many businessmen in various communities in

this country who are active members of their local credit union and who with their neighbours have taken a part in promoting and organizing such credit unions. I do not know what particular kind of small businessmen the hon. member for Marquette had in mind; they are not the small businessmen I know, because he went on to say:

They are individualists who cut each others' throats in this competition that they have to carry on in order to make their living.

Well, they may be cutting throats in Marquette; I do not know, but the people I know, whether they are businessmen, farmers, school teachers or members of a religious order, are all equal members of the credit union and are all co-operatively working together to provide credit facilities for their own mutual advantage.

For the life of me I do not know why this government is so opposed to the guarantee being provided to credit unions. They have raised one phony excuse, one straw man after another. One of the phony excuses is that the federal government cannot rigidly regiment credit unions so they could provide the guarantee. I do not think the federal government should be considering this thing they call supervision of credit unions, because credit unions do not need that kind of supervision. The credit unions of this country are well and efficiently operated and, in my judgment, with respect to the measure now before us, they are just as deserving of a guarantee as they were under the Fisheries Improvement Loans Act.

Why the government does not do this very simple thing I have no idea except the one I put forward last night, and that is that the government is interested in promoting the welfare of the banks and is not interested in promoting the welfare of credit unions. When I say that I am not saying that this is not a good measure in so far as it goes, but with the amendment I think it would be a much better measure, and some day it will go this far because this is a sensible, reasonable, proposition.

This government claims that it believes in competition. It does not believe in competition; it believes, as the hon. member for Cartier said, in creating a monopoly of this business for the banks, and that is precisely what the government will do or the direction in which it will go when it restricts the guarantee to banks only. Why not give credit unions an equal opportunity to compete with the banks? Why not allow credit unions to do this kind of business?

Mr. Crestohl: And other lending institutions.