

Bank Act

Mr. Simmons: Mr. Speaker, it is obviously late in the day. I want walk to the gentleman from Mississauga South through the process one more time.

It is implicit in my statement that we want to see the Bill in committee. It is implicit in that statement that we do not want to see it delayed for six months. That ought to be crystal clear to the illustrious chairman of the Finance Committee, a man who has been known even in the heat of an election to stand on his principles. Even when his Minister of Finance (Mr. Wilson) was telling the country one thing about revenue neutral taxes, he was prepared to bare his soul. He told the whole world that by his guesstimation the national sales tax would bring us at least an extra \$1 billion.

Mr. Tobin: Fourteen billion!

Mr. Simmons: He was low even on the \$14 billion. The estimate now is \$22 billion.

The point I make is that that gentleman has long been on the side of truth even when it has hurt him in his career path. I say to him that we want to see the Bill in committee. We do not want to see it get a six-month hoist at this time.

The Acting Speaker (Mr. Paproski): The time allotted for questions and comments has now terminated.

[*Translation*]

Mr. Pierre H. Vincent (Parliamentary Secretary to Minister of Finance): Mr. Speaker, I welcome the opportunity to speak to this Bill, after listening all afternoon to the comments of my colleague, the Minister of State (Finance) (Mr. Loiselle) and Opposition Members.

Mr. Speaker, the Minister of State (Finance) today proposed second reading of a bill that provides for major improvements in those provisions of the Bank Act that are mainly concerned with disclosure of service charges.

As you know and as the House knows, Mr. Speaker, Bill C-9 is based on the policy set forth in previous Bill C-140 which also concerned service charges.

However, unlike its predecessor, Bill C-9 also applies to business deposit accounts.

This afternoon, I heard Opposition Members talking about small businesses. As we know, however, this policy was formulated after exhaustive consultations with members of small business groups. Thanks to the very useful contribution made by these groups, the Government is now proposing to improve the standards for all deposit accounts.

I would like to give a summary of what the Bill will do for businesses.

First of all, the Bill responds to one of the main demands of small business groups, which is to ensure access to information on what a bank charges for its services.

The Government intends to oblige banks to make available to the public a list of all ordinary charges related to banking services, not just the charges that apply to personal deposit accounts.

Mr. Speaker, this provision is important, not just because it meets the demands of small businesses but also because it gives all Canadians the right to obtain information so they can shop around and make a considered decision with respect to their banking operations.

Under the new Bill, businesses will also have access to brochures that will indicate the service charges applying to the various deposit accounts offered by Canadian banking institutions.

Before it can modify the charges on business accounts, especially those of small businesses, a bank must give thirty days notice to the holders of such accounts. This requirement will apply to the services specified in the draft regulations, which represent the majority of service charges paid by small businesses.

The Bill acknowledges that like consumers, businesses may be faced with problems that require the bank's attention. Consequently, under this Bill businesses will have access to the same complaint settlement mechanisms as holders of personal accounts, and they will have that access both through the institutions and through the Government.

One may wonder, Mr. Speaker, why the Government did not act to eliminate the charges on business accounts when a customer pays with an NSF cheque. The decision to remove these charges for personal accounts was made voluntarily by some institutions last June. It was not a Government decision. However, I think that, unlike individuals who often have few convenient alternatives, companies can use other payment methods.

Mr. Speaker, it seems to me that this Bill, although it does not completely satisfy the Hon. Member for Nickel Belt (Mr. Rodriguez), should be passed on second reading as soon as possible and referred, as the opposition parties and the Government wish, I think, to the Standing Committee on Finance for in-depth study, so that it can come back to us for final passage as quickly as possible.