

*Government Orders*

sition to compliment everybody involved with this bill, including government members and the government itself, on a job well done. It is a bill that is long overdue. The government, the finance committee and the civil servants involved in drafting the legislation took the time and had the understanding to incorporate in this bill what the people whom it most affects want to see in it. There were extensive consultations with the Canadian Co-operative Credit Society and other credit union organizations and these people were listened to. As a result, I think we have a bill that takes us a long way forward in the area of regulating credit unions and, in fact, giving credit unions new opportunities in this country.

This act applies to credit union centrals that are federally incorporated. Many of the major credit union centrals in this country fall into that kind of category. The B.C. Credit Union Central, Alberta, Manitoba, Saskatchewan, Ontario and Nova Scotia Centrals, are all federally incorporated and thus this Bill C-34 that I am speaking on this morning applies to them.

What it does is give credit unions a level playing field with other financial institutions. I know the concept of level playing fields, along with the concept of competition, and other words like that has been debased in some people's minds, perhaps by some misuse by the government, but nevertheless it is appropriate to note that what this in fact does do is give the credit unions a level playing field with other people who are in the financial services business. It has strengthened some governance provisions that will protect the members of credit unions, such as creating new procedures for handling conflicts of interest and self-dealings within credit unions to make sure that some of the unhappy experiences which have occurred in credit unions will not repeat themselves.

Also in legal terms, it vests credit union centrals with the rights and powers of natural persons which enable them to engage in activities which the previous legislation did not.

As well, it broadens their powers to diversify into other financial sectors through subsidiaries so that they can build the type of networks and services that are necessary to compete with other financial institutions that are operating in our country, both domestic and foreign.

Furthermore, it allows them to build up their equity base through the issue of preferred shares to non-mem-

bers. Certainly the need to increase the equity that is available to many of the credit unions is absolutely essential if the credit unions are to play the role that is expected of them in the community and to realize their true potential.

I have been a credit union member since 1971. I have had very few dollars to put in the bank but those that I have had I have put in credit unions. I would hope as a credit union member that this particular provision would not cause a dilution in the control by credit union members of their credit unions and I know that is fully the intention of the credit union centrals that so badly wanted this provision in the legislation.

I want to compliment the government for listening to the credit union sector. As the co-operative critic for our party in the House of Commons this means a lot to me. I hope it creates a precedent because we still have the problem of the co-op retail sector trying to get the understanding of finance department officials with respect to the GST application and direct charge co-ops in the dealings between different levels of the co-op system. It really seems that the nature of the co-op system is not understood there. There is a longstanding problem with respect to the co-op housing sector which has never got the 5,000 houses per year which it was promised and which it was built up to handle.

There has been a problem with worker co-ops getting proper recognition under the new labour force development legislation. Worker co-ops are not given equal opportunity with other kinds of business organizations for which people might use those funds.

Then there is the problem of the prairie pools, which represent a vast number of farmers on the prairies, not being listened to when it comes to the formation of agricultural policy.

I hope this means that the careful attention and the really good understanding which were demonstrated with respect to Bill C-34 and the credit unions are indicative of a new government attitude toward co-operatives.

The co-operatives, and in this case the credit union sector, is a story of success. For example, a credit union like the VanCity Credit Union, which I believe the member to my left, the member for Mission—Port Moody might well belong to being from that area, is a