

whole problem which perhaps was somewhat clouded in some of the recent events. First of all let me say that I do not pretend to know whether the philosophy behind the present Bank Act is the best one for Canada. I have read the recent speech of the former chairman of the Bank of England, Lord Cromer, who warned the western world and Europe that economic nationalism could impede the flow of capital in contrast to what took place in the nineteenth century. I have listened with great interest and read the speeches of the president of the Royal Bank of Canada who endorses the same views. If time would permit me I would quote an extract from "Barrons" which castigates not only Canada but also the United States and most of the other countries of the world for what they consider to be their very restrictive policy, so far as the flow of capital is concerned.

However, the one thing that is important to me as a Canadian is that regardless of what action we take and what philosophy we endorse, of whether we believe that the banks should be entirely Canadian or should be open to people from all over the world, it should be our decision to make, without the pressure of outside corporations and without the pressure of any country in this world no matter how friendly that country professes to be. That is the right of Canada as a sovereign nation.

I was appalled at the degree of pressure that was put of this government by the White House and by the various interested groups in the United States. Efforts were made to discredit the former minister of finance. I am sure very few people in the house were surprised at the testimony presented to the committee which proved that the events as outlined earlier by the former minister of finance leading up to the purchase of the Mercantile Bank by Citibank corresponded with facts. This does not surprise those of us who know the hon. member for Davenport. I have said in the house and I do not mind repeating it that regardless of what he accomplishes in the rest of his political career he has been the man responsible for preventing the further erosion of our publications. He had the distinction of putting forward in the House of Commons legislation which prevented the sale of our newspapers to foreign interests.

Mr. McIlraith: Mr. Chairman, I wonder if progress could be reported for the purpose of making a motion to continue the sitting for a short time?

Progress reported.

Bank Act

Mr. Deputy Speaker: Is it the wish of the house to consider this bill at the next sitting or later today?

Some hon. Members: Later this day.

Hon. G. J. McIlraith (Minister of Public Works): Mr. Speaker, I move, pursuant to standing order 6(2), that the house continue to sit until not later than 11 o'clock p.m.

Some hon. Members: Agreed.

Motion agreed to.

BANK ACT

DECENNIAL REVISION AND EXTENSION OF CHARTERS

The house resumed consideration in committee of Bill No. C-222, respecting banks and banking—Mr. Sharp—Mr. Richard in the chair.

Mr. Mackasey: Mr. Chairman, I thank hon. members for their courtesy.

I was speaking of some of the accomplishments of the former minister of finance. Before I get back to the subject of the Bank Act I might remind hon. members that as the former minister of finance he brought in legislation to protect our insurance companies and our trust and loan companies from passing further into the hands of foreign investors. It is no secret that I am a strong believer in many of the ideas and much of the philosophy of the former minister, but it is equally true that I am also a supporter of the present Minister of Finance.

I think that the biggest problem we have had in the last few weeks is that many of our newspaper writers have not understood the present Bank Act. I could mention one editorial which appeared in the *Toronto Star* three nights ago whose author tried to make out that the present Minister of Finance has changed in some devious way the philosophy and the spirit of the act as enunciated by the former minister in 1965. I suspect that such newspaper writers are not doing a proper service to those people who believe what they read in the newspapers. I might quote for instance this statement, which appeared in the editorial to which I have referred:

Two vital concessions—vigorously opposed by Walter Gordon and the nationalist wing of the Liberal party—have been offered the National City Bank of New York (Citibank). Citibank purchased Mercantile after being warned they could not expand unless they abided by new Canadian banking rules.