

Bank Act

are concerned with, and considering that the present average interest rate for these securities already is below 5 per cent, and no one expects the interest rate to go up this year, we are legislating in this bill an immediate increase in the interest rate from 6 per cent to $7\frac{1}{4}$ per cent, and we are removing the ceiling on December 31 of this year without providing any other regulatory machinery at all. After December 31 of this year the banks, as all other financial institutions, will be free to do as they please with the interest rates.

Mr. Sharp: As recommended by the Porter commission.

Mr. Lewis: Yes.

Mr. Sharp: The hon. member seems to quote only what suits his purpose, and not otherwise.

Mr. Lewis: That is right. I suggest that Mr. Justice Porter is exactly like the minister and exactly like myself, a human being. Some of his ideas are good, and those I accept. Some are not so good, and those I do not accept. The same holds true for the minister. Mr. Justice Porter did not write, I suggest, a holy scripture. Because I pick out one part does not mean that I have to accept the whole volume.

Mr. Sharp: The hon. member was quoting from it rather fulsomely.

Mr. Lewis: I was not quoting it fulsomely. I merely said that the suggestion to bring in the near banks was in the Porter report. The minister has had it for three years, and he could have done something about it.

Mr. Douglas: One need not accept every-part of the report.

Mr. Lewis: I do not have to accept every part of the report. I can disagree with some of it, and I do. I do not disagree with the increase in the ceiling, and to some extent I do not disagree with the removal of the ceiling if there could be some other form of regulation of interest rates. If we cannot have regulation, at least let us have supervision of the interest rate.

Mr. Sharp: Then the hon. member disagrees with the Porter commission.

Mr. Lewis: On that point, yes.

Mr. Sharp: That is fundamental.

Mr. Lewis: I know that is fundamental. I appreciate that is fundamental to the Porter report.

Mr. Sharp: Yes, to the whole concept.

Mr. Lewis: I do not know about being fundamental to the whole concept. Let not the minister and I enter into an academic discussion about what makes a whole or partial concept. Let me say that this is one recommendation of the Porter commission with which I disagree. Other recommendations the minister disagreed with and I agreed with. This recommendation he agrees with and I disagree with.

May I say to him. I hope without offence, that what he agrees with and disagrees with and what I agree with and disagree with point up the differences in our social philosophies.

Mr. Sharp: May I ask the hon. gentleman whether he looked at the Porter commission report carefully. He has been quoting from it. Could I draw his attention to this one statement page 364:

We recommend that it—

Referring to the ceiling:

—be removed regardless of other changes in the legislation.

Mr. Lewis: I know that. I do not know why the minister had to read that. He did not have to read that sentence. I do not deny that the Porter commission recommended the removal of the ceiling. If the minister enjoys repeating the same thing three or four times I shall sit down and let him repeat it three or four more times; then without fear of being interrupted I shall go on with my remarks.

I will say that the thing he disagrees with in the Porter commission report, the extension of the law to cover all banking operations, and the thing he did agree with, the removal of the ceiling without any further safeguards, shows the differences in our social philosophies—shows the minister's typically doctrinaire private enterprise philosophy. The kinds of things I have accepted from the Porter commission report show our concern to make the banking industry function for the social goals of Canada as much as it is possible to do so.

I suggest to the minister that it is not a service to the Canadian people to remove this interest rate ceiling at the end of this year without, as I have said, providing any machinery for regulation or even for supervision