

Bank Act

committee I will be moving an amendment to the act on the proportion of shares of a bank owned by a federation or any co-operative movement. After all, they would be the first one to object to a bank or a trust company having by any means 25 or 27 per cent equity in a co-operative movement. Those people are not kids. And I do not want to see them subjected to a floor or ceiling because the co-operative movement and the *caisse populaires* were set up primarily to fill a gap. There was healthy expansion and now they are very serious people. All the better for them but we have reached a point where the rules of conduct are the same for everyone except that they do not have the rights of the chartered banks nor do they have their responsibilities.

● (2100)

[English]

I see that the Inspector General of Banks has delivered his undertaking to the committee that there shall be adequate provision, in section 156(4), for the storage of computer data so as not to hamstring a great number of Canadian operators in this field. I think that the amendment which he has put forward is quite satisfactory. The committee simply said, "To define this precisely is impossible." They simply said that the presence of the data shall be disclosed to the inspector general and shall be readily accessible to him at all times, whether or not it is in the United States in data banks of a peculiar nature that cannot be duplicated, simply because we do not have the financial resources. The operations are too big. There are only two in North America. However, if the Inspector General of Banks knows where the data is and has access to it, then fine, because all the banks will agree on the matter. I would think that the provision has been adequate.

I do not wish to talk at great length about leasing. It is a subject that has excited a great deal of interest on both sides of the House. All I will simply say is that I think that, notwithstanding the regulations published in October, we have already seen efforts by some of the chartered banks, and presumably successfully, to get around the situation. The idea of the banks engaging in the business of leasing passenger vehicles and trucks up to a certain commercial weight will not fly, period. There is plenty of scope in the big ticket items because there is no way that we will continue that parody of earlier years, where people who are buying big ticket items were having to finance them through American financial institutions or having to go to the United States.

A 14½ yard front-wheel loader used in the oil business today can cost over half a million dollars a copy. One D-10 tractor is worth \$650,000 in Canada today. Will we condemn our Canadian operators to leasing that equipment? In many instances it pays a great deal more to finance through a leasing agreement than having to purchase such a unit. If we throw the baby out with the bath water and prohibit the banks from engaging in leasing operations, we will merely drive Canadians who require this kind of equipment to financing through American resources and that, to me, has to be the height of stupidity.

I can agree with regard to ordinary automobiles and trucks up to a certain weight. I believe that the automobile dealers, the banks and the government, will ultimately agree on a ceiling figure. It may be 18,000 pounds, 9,000 kilos or so many tonnes capacity, but not a dollar value. Those unroad vehicles shall be limited to dealers to finance. They have done a good job. I can see where some of the abuses are coming up with regard to some of the projected operations of the chartered banks. That is enough on that field.

I would like to turn now to a last item because I wish my colleague from Mississauga to have an opportunity to address the House. It is believed that there is a grandfather situation right here, that there is no way that we can tell any foreign bank to get out of the country, providing, Mr. Minister, that the country of its domicile is prepared to enter into reciprocal agreements with us. The reciprocal agreement is the bottom line. There are many Japanese interests that want to enter into Toronto and western Canada, but Canadian banks, which have been knocking on the door of Japan for many years, must be able to enter on a reciprocal basis.

[Translation]

It is the same, but I believe that things are going rather well in France and also reasonably well in Switzerland. In Germany as well things are going fine because certain Canadian banks have purchased German banks and we have common interests. In the United States, the situation can vary; certain states are somewhat more difficult than others, but in general, things are going well.

However, as concerns other countries, I believe that if we developed this question of mutual interests among equals and if the inspector general were in a position to make a request in this regard and present a recommendation to the minister—and I do say a recommendation to the minister because I recognize that this must be done at the ministerial level—it is quite possible—and I have no doubt that my colleague from Esquimalt-Saanich shares my views on this subject—that financial relations would have an impact on foreign affairs. Therefore, there could be liaison at the ministerial level between external affairs and the Minister of Finance.

In this regard, I believe that the activity should remain at the ministerial level and not go any higher because in issues of this type we need flexibility instead of rigidity and all kinds of orders and regulations.

● (2110)

[English]

Mr. Simmons: Mr. Speaker, I wonder if the hon. member would permit a question?

The Acting Speaker (Mr. Blaker): Order, please. The hon. parliamentary secretary.

Mr. Simmons: I am especially interested and, indeed, intrigued by what the hon. member for Edmonton West (Mr.