

Government Orders

always called upon through the deposit insurance whenever there are pieces to be picked up.

If this can limit the number of pieces that have to be picked up, surely the minister can see the reasonableness of the argument that we should put those two auditors back in place in the Bank Act.

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, we have had this discussion on a number of occasions. We had the discussion on Bill C-4.

A bank is entitled, of course, to continue to have two auditors if it so desires. Some of the major banks have indicated for the reasons my friend sets out that it is perhaps a good thing to advertise that you have two auditors, but as far as supervision is concerned, that is not necessary. As far as the Estey commission was concerned, it was not necessary, and as far as the Standing Committee on Finance studying the matter in 1985 in its report that his colleague from Regina—Qu'Appelle was involved in, it was not necessary. It was not necessary then; it is not necessary now, so we will be opposing the amendments.

Ms. Catherine Callbeck (Malpeque): Mr. Speaker, this morning I spoke on a similar motion to the Trust and Loan Companies Act, Bill C-4. This motion is to amend the Bank Act and it is requiring two auditors. As I mentioned this morning, the Standing Committee on Finance really rejected this idea and the Superintendent of Financial Institutions sees no need to have two auditors.

As was mentioned in the committee and also by the member for Mississauga South this morning, if you have two auditors then one auditor could mistakenly think that the other one is doing something and things could get missed altogether.

Also the Estey inquiry that looked into the failure of the Canadian Commercial and Northland banks certainly indicated that it would not have made any difference if we had had two auditors. I want to repeat that the Superintendent of Financial Institutions sees no reason to have two auditors. This idea was rejected by the finance committee, and if it is not necessary, if there is no need for it, why inflict the extra cost on financial institutions which will be passed on to the Canadian public in the long run?

Mr. Speaker, we will be voting against this amendment.

Mr. Dionne: On a point of order, Mr. Speaker. I allowed my name to stand as seconder of this motion. I simply want to explain that I intend to vote against the proposition of the hon. member.

• (1530)

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Mr. Speaker, I would like to thank the hon. member for Nickel Belt and the hon. member for Malpeque for their intervention. I think the hon. member mentioned the complexity of the present institution. He has indicated one point, that maybe the member for Mississauga South might have acted without consulting the minister. I would like to repeat that the hon. member has consulted with the minister, and we have been in touch for years on these issues. I must say that I am very pleased that the hon. member for Mississauga South has brought his experience and his knowledge.

I would say that I was also very impressed and even though I was not in the House through the debate or in committee, I have followed that very closely. I was always very impressed by the quality of the intervention of all members, even though we do not always agree on certain amendments. I think these are extremely complex issues of great importance for Canadians. I think what we are doing now is preparing a very good bill.

Mr. David D. Stupich (Nanaimo—Cowichan): Mr. Speaker, I noted that the hon. member for Malpeque said that Judge Estey did not recommend that there be two auditors. I may not have quoted it correctly, but one of his recommendations was that there be no change in the dual auditor system as provided by section 237 of the Bank Act. When Judge Estey was looking into the collapse of CCB and the Northland Bank, he felt that the dual auditor system was a good one and should be retained.

Canada has had a pretty good reputation in its banking systems, particularly in the larger ones in which the dual auditor system has been in effect for quite some time. I do not know why we are fixing it if it is not busted. The system is working. The hon. member for Mississauga and the hon. member for Malpeque suggested earlier in the debate—and I feel I have to stand up for the professional auditors, the chartered accountants—that it costs more.