the Minister of Finance if he is sincere in saying that he would like to table this legislation as soon as possible. Our concern should be the effect that this will have on the whole banking community in Canada. It preserves uncertainty, something which should not be preserved. Indeed, it denies Canada that opportunity of thrusting the country more forcefully into the international banking community to which I have referred.

We have heard many discussions concerning the monetary situation and the crisis our dollar is in at the present time. We know too that the government is trying to raise foreign funds to offset some of the drain of reserves which will be reflected tomorrow. I understand that the drain of our reserves in February is something over half a billion dollars. It could be higher. I understand as well, and this is a published figure, that we had a drain of our reserves of $200 million in January.

My suggestion which would alleviate the drain on our reserves would be to allow our banking community to become more internationalized in the way I have outlined. Let this nation become the Switzerland of North America. I can assure the House the real growth figures we have been talking about as our potential would be reality as opposed to the sad display which we witnessed today. The Minister of Finance had to stand up and admit that while he was in Montreal he referred to fourth quarter real growth of something over an annualized 5 per cent. He then had to eat his words when the published figures showed it was a little over 3 per cent. That occurred yesterday, and that is my first point.

● (1552)

The second point I would like to make when considering this extension with regard to the time limitation of the Bank Act is this. Think of the uncertain questions that this is leaving. For example, the white paper suggested that the credit unions should be pulled within our banking system. They suggested that the time had come when reserves which are normally expected from banking operations as far as the Bank of Canada is concerned should also be expected from credit unions. We know that the credit unions are very much opposed to this type of approach. They would like to be left alone. They feel that some type of federal regulation is not welcome, bearing in mind they are largely provincially regulated and governed at the present time.

This is where we get an unfortunate clash between the politics of government and economic reality. On one hand we are told that the government intends to include these credit unions in the new banking legislation. In fact, most will be surprised if the credit unions are not squarely included within the draft bill whenever it is produced. That may clearly be the attitude of the Department of Finance, but the political decision that has been made at the highest level, the level of the Prime Minister (Mr. Trudeau), is that the government does not want this Bank Act to be shown because they do not want to live with the political consequences. In short, they do not want to have the draft legislation before this nation pending an election.

[Mr. Stevens.]

One minister of the cabinet was very candid with a banking friend of mine. He said the government would not show the draft Bank Act legislation because they did not want to take on the caisses populaire of Quebec. They know that what they intend to do with the caisses populaire will be unpopular. It means votes as far as they are concerned. Frankly, they are not going to run that risk. That is what we are living with here. We have sheer political expediency on the part of this government, in spite of the fact the economic realities cry out for more decisive decisions to be made by this cabinet.

Certain members of the government are a little startled at that blunt language. The fact is it is the truth. The economic condition of this country is being put on the back burner as this government gets ready for an election which they anticipate will be some time in May or June. Let there be no fudging of this question. As far as the cabinet level is concerned, this bill was conveniently sent over to the justice department and conveniently left there to give the government an excuse for not showing their colours with regard to the types of things to which I am referring.

Again I wish to touch on this whole question as to why we urgently need a change as far as our approach to the Bank Act revision is concerned. In short, since 1967 there has been a tremendous transition in our banking industry in Canada. I will put a few facts on the record. For example, the banks' share of deposits has actually declined by almost 3 per cent since the last Bank Act revision in 1967. That is relative to all deposit-taking institutions. Credit unions have shown the largest increase, climbing from 9.9 per cent to 12 per cent of the 1975 total.

Generally speaking, as we know, Canadians are considered among the world's highest savers. Total savings on a national accounts basis as a percentage of personal disposable income ranged between a low of 5.5 per cent in 1970 to a high of 10.2 per cent in 1975. A portion of these savings ultimately end up as personal savings deposits in one of the various deposit-taking institutions. In short, there has been a redistribution as far as deposits are concerned as to who owns the savings of this nation.

Let me put it another way. Since the last revision to the Bank Act, the chartered banks' share of this pot has gone down 3 per cent while that of the credit unions has gone up 2½ per cent as far as the over-all share is concerned. We are talking big figures. Total personal savings held by all of these deposit-taking institutions have increased by more than 300 per cent since 1967, to over $75 billion in 1976. Personal savings deposits in the 22 million deposit accounts in the chartered banks accounted for over $30 billion of this total, or about 40 per cent, compared to more than $10 billion in 1967.

The reason I put some of these figures on the record is because sometimes we do not acknowledge the tremendous explosion we have had in our banking system. When the Porter commission last sat and reviewed the financial community in Canada, total assets, certainly domestic bank assets, were approximately $13 billion. Domestic bank assets at the time of our last revision were approximately $25 billion. Today they