

to holders outside of Canada in currencies other than Canadian dollars. The amendment to the bill arose by reason of the floating of an issue of debentures in the European market, using as part of the sale's presentation the fact that the debentures, as issued, would be insured by the Canada Deposit Insurance Corporation. It was the view of the directors of the CDIC that the use of deposit insurance in this way was not in accordance with the general intention of deposit insurance and, consequently, this type of debt instrument should not, in the future, be eligible for deposit insurance.

The amendment, accordingly, proposed that instruments intended for sale abroad not be considered as representing a deposit, and also that bearer instruments not be considered as insured deposits. It was not intended to withdraw insurance from deposits made in Canada by non-residents. The revised wording has the advantage over the preceding wording, first, that questions of the validity of transfers of instruments are not raised. Instead, it is provided that an instrument does not represent an insured deposit unless the name of the payee is registered on the records of the issuing institution. As I indicated, the purpose was for clarification. There is a belief now in the financial community that this meets the requirement. As I said before, a number of the types of instruments issued in the manner in which they were issued went well beyond the original purpose of the deposit insurance. It is for this reason the limitation has been put forward.

**Mr. Sinclair Stevens (York-Simcoe):** Mr. Speaker, in replying to the statement of the minister with respect to his proposed amendment, I remind hon. members that this is actually the second version of the amendment that the Minister of Finance (Mr. Macdonald) has proposed with regard to this change. I would point out that when the committee reviewed Bill C-3 it was not asked to consider this amendment. There was no suggestion that there was a problem at the time the committee studied the bill. It is most unfortunate that this lack of foresight is so evident in so far as the government's actions are concerned.

It is not just the economy that the government is running poorly. They are running their own internal administration very poorly in the sense that they bring bills into this House, take them to committee, make no mention of further amendments, and by the time they get to report stage, with apparently no particular demand from any source they propose new amendments, then withdraw those amendments and give us an amendment such as we have today.

I was rather surprised to hear the minister say that the amendment in its present form is acceptable to the industry. That is not my understanding. Over the dinner-hour I am going to check with the president of the Trust Association in Canada to find out whether at the last minute he acceded to the suggestion the minister has made.

It is a fairly important amendment that we are considering. Through the innovation of certain trust companies and loan companies we have been able to win some foreign funds expressed in Canadian dollars for the benefit of those who need mortgage money in Canada. As we know, mortgage

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interest rates are unduly high in Canada. They are certainly unduly high compared to mortgage rates in many other countries. Our trust and loan companies have found there is a market for the sale of their debentures or guaranteed investment certificates in these foreign countries. Because they have shown that initiative, because they have been true entrepreneurs, the government steps in and says they do not want them to bring in these funds from foreign countries. The impact of this amendment is to make it difficult for the trust and loan companies to attract these funds and offer the general insurance provisions of the CDIC. We in the House must consider whether that is a wise move.

I hope the minister will respond to some questions later in the debate in order to give us some insight into why he and the Department of Finance believe we should accede to this request. Why are we making it more difficult to bring mortgage money into the country? That is the net impact of the amendment we are now considering.

**Mr. Deputy Speaker:** Order, please. It being five o'clock, the House will now proceed to consideration of private members' business as listed on today's order paper, namely, private bills, notices of motions (papers), public bills.

### PRIVATE MEMBERS' BILLS

[*Translation*]

**Mr. Deputy Speaker:** The hon. member for Villeneuve on a point of order.

**Mr. Caouette (Villeneuve):** Mr. Speaker, I ask the unanimous consent of the House so that the bill appearing in the name of Mr. Réal Caouette, former member for Témiscamingue, that is Bill C-215, be transferred to the name of the hon. member for Richmond, Mr. Léonel Beaudoin, and that Bills C-257 and C-288 also in the name of Mr. Réal Caouette, be transferred to the name of Mr. André Fortin, member for Lotbinière.

● (1700)

[*English*]

**Mr. Goodale:** I certainly would have no objection to that proposal, but I would ask the hon. gentleman to allow us a little time in which to consider its regularity from a procedural point of view. I would be happy to take it up with the House leaders—

**Mr. Knowles (Winnipeg North Centre):** We would agree right now.

**Mr. Paproski:** And we would give consent.

**Mr. Deputy Speaker:** Of course, unanimous consent would be needed, but I do not see why we should not follow the