

Canada Deposit Insurance Corp.

introducing legislation to set up a deposit insurance scheme. A committee under the chairmanship of Mr. Jacques Pariseau, the talented economist, has been studying financial institutions since December, 1965.

The provincial inquiry deals with legislation governing trust companies, savings and credit unions, mortgage, personal and industrial loan companies, and other similar institutions.

I am referring here to financial institutions or near-banks which are to be found in all provinces. Certain organizations in Canada are deeply worried about bills like the one introduced this afternoon by the hon. Minister of Finance (Mr. Sharp).

I wish to point out briefly that the National Trust Corporation objects to the establishment by the federal government of a deposit insurance scheme because the corporation believes this is an exclusively provincial field of jurisdiction.

The Canadian Trust Companies Association, of which Mr. Marcel Faribault is president, says that this type of procedure in the field of deposit insurance constitutes, for the federal government, a perpetuation, a repetition and a continuation of what has been going on in the insurance field since 1930.

The president of the Provincial Bank of Canada, Mr. Ubald Boyer, claims that a financial enterprise under provincial charter would not accept, or would be reluctant to accept, a federal inspection.

I conclude, Mr. Chairman, by asking the Minister of Finance this: In order to avoid further tensions, further difficulties between the central government and the provinces of Canada, will he delay the preparation and introduction of his proposed bill until such time as a working committee in the province of Quebec, and possibly in other provinces, has studied the matter, informally and officially. Let him wait for the results of that report which is to be published within the next few months. I would also ask him to consult the provincial ministers of finance and meet them in a true spirit of federalism, and not to always proceed unilaterally and then confront them with a *fait accompli*. I ask him to bring into being a truly co-operative federalism between the various levels of government which exercise the authority in our country.

Obviously, the co-operation of the provinces is essential and advantageous to all depositors, to all Canadians, to all provincial and federal governments.

[Mr. Allard.]

Some hon. members spoke a while ago of submitting the matter to the Supreme Court, but it is not really the appropriate court to rule on the allocation of authority and responsibilities in Canada.

Before 1949, the privy council in London had that authority under our constitution, but since then, our federative political system has been deprived of an adequate and acceptable constitutional court to which the constituent parts of this country, of this political system—both the provincial and the central governments—could appoint members and expect fair and balanced judgments. We are still in a vicious circle.

The present government is postponing constitutional reforms. It is delaying the establishment of basic organizations which could precisely settle the disputes and problems and urge on Canada toward real progress. In my opinion, the government should lose no time in preparing the way for discussions, in this house and with provincial representatives, about the establishment of a constitutional court where such a problem could precisely be settled in all fairness and equity.

[English]

The Chairman: Shall the resolution carry?

Mr. Lambert: Mr. Chairman, I wonder whether the minister could give us some answer as to whether or not the government has decided that this bill, or the subject matter of it, will be referred to the committee. If the answer is in the affirmative, that the subject matter will be referred to the committee or that it should have to await second reading, then we of the opposition are quite prepared to adopt the resolution at this time so that we can see the bill.

Mr. Sharp: Mr. Chairman, I should like to do whatever will do most to promote consideration of the legislation, which I consider very important. I should have preferred to let this bill be published and examined by the public at large before any debate or any consideration anywhere, either in committee or in the house. Therefore I would like to have the bill published.

I can say at least that when the bill is given second reading it will be referred to the committee on finance, trade and economic affairs. I should like to reserve the question of whether or not the subject matter should be referred. I say this, not because I want to deny the committee any opportunity to discuss the