

Bank Act

The Acting Speaker (Mr. Blaker): Is there unanimous consent that for a brief period some questions and answers be exchanged?

Some hon. Members: Agreed.

[*Translation*]

Mr. Bussi res: Mr. Speaker, I should like to make it very clear that the fact of replying to the questions of the hon. member will not prevent me from taking part in the debate. All hon. members should realize that the fact that I am replying to these questions will not deprive me of my right to speak.

The Acting Speaker (Mr. Blaker): That is without question. The hon. Minister of State for Finance (Mr. Bussi res) will still have the right to speak later in the debate. This is an exception which was accepted by the hon. members.

[*English*]

In no way will this affect the minister's right to speak later.

[*Translation*]

Mr. Bussi res: Mr. Speaker, thank you, for this clarification. The hon. member was speaking on motion No. 27 designed to correct an amendment accepted in committee to restrict the leasing activities of banks. The hon. member was concerned that motion No. 27 might allow banks to carry on leasing operations and that this would emasculate, if I may use this expression, the amendment passed in committee. Is that what the hon. member asked me?

I should like to remind the House of the origin of this amendment. I was invited by the Standing Senate Committee on Banking to discuss the bill, and particularly to inform the members of this committee of the reasons for the amendments accepted in committee by the government. At that time, the evidence given by some senators and the questions they raised brought home to me the representations I had received from businessmen who operate in various spheres of this activity and who were concerned about the fact that banks would not be allowed to provide leasing for the purchase of certain types of equipment.

As I recall, I gave certain examples of this at the report stage. I gave the example of fire engines. I also gave the example of trucks with very specialized equipment that might be used, for instance, by a provincial hydro service, fitted with a basket to repair wires atop poles, or the same type of trucks fitted with a drill to dig holes for the poles, fire trucks used by some municipalities. I also talked about certain types of trucks mounted on both wheels and caterpillars which are used in the forest industry, but which in some provinces have to be licensed. The restriction which existed in the act with regard to licensing is well known.

I could give many other examples to the hon. member, but I want to assure him that the intention expressed in committee

to make it impossible for the banks to lease in the field traditionally reserved to car and truck dealers has been followed up and is that of the government. Still, we did not want to deprive an entrepreneur, a municipality or a service business of the possibility of obtaining leasing through the banks since that source was limited, in that, for instance, a fire engine, must be bought "stripped". Another firm that specializes in fire engines will make a fire truck out of it and then sell it. That firm is not interested in leasing. To give more expansion to its market and facilitate business with the municipality, it was quite favourable to the idea of the bank going into leasing in that specific field.

The same goes for forestry equipment and some big trucks used for transporting oil, milk, etc., in bulk quantities. I wonder if the hon. member understands in what spirit the amendment was made. We want to preserve the spirit that prevailed in committee and give businessmen the opportunity of going to a financial service that is accessible and favourable to them.

[*English*]

Mr. Charles Mayer (Portage-Marquette): Mr. Speaker, at five o'clock I was referring to some of the concerns which I and members on both sides of the House feel about the revisions to this act and how they affect the livestock business. The livestock industry is very important to a large part of Canada particularly to western Canada where the beef cow herd is largely located. If my memory serves me correctly, roughly 80 per cent of the beef cows in Canada are located in the prairie provinces, thus it is a very important part of the economy of western Canada. Section 178 of the act is very important to those involved in the livestock business and to farmers in general.

● (2020)

If we refer back a couple of years, the figures show that roughly 45 per cent of the grain grown in western Canada was fed to livestock there, another 45 per cent was exported and the remaining 10 per cent was used for seed and industrial purposes. Livestock is important to the people involved in its production and sale but it is also important to producers of grain crops. About one third of the production on the prairies is fed to livestock within 30 miles of where it is grown. That gives an idea how important livestock industry is to western Canada.

We are all concerned about stability in agriculture, Mr. Speaker. The problems with roller-coaster prices of recent years are well known. There have been times when it has been difficult to find world markets for our products. When you consider that almost as much of our grain is fed to livestock as is exported, it is easy to realize how important livestock is to a stable base for the western economy. Without a livestock industry, in times of high production and low prices, it would be more difficult to find a market for the grain crops.

A large part of the packing industry in western Canada has been lost in the last ten or 12 years because of variations in