

Government Orders

A much more responsible approach would have been to introduce a new Bank Act this past September when the government introduced the new trust and loan legislation. The banks are central to Canada's financial system and it is important that Canadians are able to see the whole picture, that they can see the legislation that this government intends to bring in in connection with the four pillars, and not just see the legislation, piece by piece. Today, we have the last-minute introduction of Bill C-90 which is the latest example of government's unorganized approach.

I would very quickly like to go through the government's performance or record in the past five years in bringing in modern, new, financial legislation. In 1985, the government introduced a green paper on financial sector reform. That was followed by a blue paper in 1986. That was followed by four years of waiting by the Canadian financial institutions as they watched their global market share tumble.

Time is of the essence in the financial sector because of the rapid change occurring world-wide. Certainly a very important question in this whole area is: What has the government done for consumers and depositors of financial institutions?

• (1540)

Modern, new financial legislation should provide consumers with a better choice of financial services at more competitive prices. Consumers of financial services in many parts of the world are enjoying the benefits of modern legislative framework. There is no reason at all that Canadian consumers should not enjoy the kind of benefits as others enjoy in other parts of the world, but the government has denied Canadian consumers these benefits simply because it has delayed and delayed the legislation with regard to financial institutions.

We are also concerned that depositors at Canadian financial institutions continue to enjoy a high level of confidence that those deposits are safe and they are being wisely managed. This kind of continued security would be achieved through new financial legislation which emphasizes improved self-regulation, as well as a strong role for the Superintendent of Financial Institu-

tions. As we all know, the government has denied Canadian depositors those benefits as well.

Contrary to what the government may think, there are consequences to the years of delay in bringing in meaningful financial sector reform. In fact, between the time the government released its first policy paper on financial institutions and the time when the new Bank Act is passed, close to seven years will have elapsed. That is seven years during which the government knew and acknowledged that the current act is outdated and is hindering our banks' ability to compete. That is seven years during which it failed to introduce new legislation to do something about it.

Here we are today debating an extension of the existing Bank Act when we really should be debating a new Bank Act. Instead of telling the banks what legislative tools they can use to operate and compete in a tremendously competitive world market, the government again is asking for more time. Reluctantly, we have to agree to give it more time, not because we agree with the government's approach, but because of the dire consequences we would face if Bill C-90 is not passed.

The soundness of the Canadian financial system and, indeed, the entire economy depends on it.

Mr. John R. Rodriguez (Nickel Belt): Mr. Speaker, I am not so quick as the previous speaker was to give agreement to this bill. This is a bill to extend the charter of the banks until 1992.

Last spring the government promised us a new Bank Act and it did not deliver. Last spring we were promised Bank Act changes and we have not got them. What have we got now? Bill C-83. The government says: "We are going to start reforming the financial institutions and Bill C-83 is going to be the first in a series of amendments to the financial institution operations of this country". So, we have got Bill C-83 and it has had second reading and it is in committee. Sometime in the next two years we are going to get the Bank Act, and then we are going to get the Insurance Act changes.

Why are we going through this strip-tease? Why are we going through this whole performance? First, it drops Bill C-83, and then we are going to get another dropped