Bank Act

● (1540)

The last point I want to make is one that I made yesterday, that is, that whenever we have given the minister the power to make regulations, those regulations should have been before us by now. There is nothing that can convince me that over in the Inspector General's branch or in the Department of Finance, whomsoever had the responsibility, and in the Department of Justice they could not have prepared those regulations and had them tabled before we gave this bill third reading. I shall ask the minister, when he replies, a direct question. I shall ask him—

[*Translation*]

The question is this, and I hope I get an honest and firm answer. When shall we see the regulations which we gave the authority to pass and which will affect several areas of the administration of this bank act? The minister has asked for the committee's confidence and told us that we would see these regulations and that they would reflect the views expressed by the committee. The task, the responsibility, Mr. Speaker, is therefore in the minister's hands.

I know that several of my colleagues would like to express their views on this legislation. This will be the last time I speak on this bill, at least at this stage. I would like to thank all those who took part in the committee work. For a number of these people, this will have been their initiation into a committee considering a piece of legislation of some significance.

This enabled us to get to know each other a little better, and I think that members realized that it is in this way and through co-operation that we can improve upon any piece of legislation. It is true that I have voiced numerous criticisms, and this was new for me. I do not cast reflections on people or their personalities, but I do reserve the right to criticize their opinions, whether they are officials, members of Parliament or ministers. In this House we attack ideas, not personalities, and this is what should guide us. If I inadvertently hurt or insulted anyone, I apologize, because that is certainly not my habit. It is true that I speak harsh words, perhaps not so much harsh as firm, and that I am hasty-tempered. But at least everyone knows where I stand.

Mr. Speaker, I should like to thank my colleagues on both sides of the House for their co-operation in the study of this bill. As for me, even if it is somewhat defective, I do not intend to vote against it on third reading. However, through you, Mr. Speaker, I shall say quite frankly to the minister that if, unfortunately, the regulations are indefinitely postponed or if they distort the principles set forth in committee, then I think some members, especially on our side and probably in the third party, and even on the government benches, will become less co-operative. Bearing this in mind, I do hope that we can complete the study of this bill today.

[*English*]

Mr. Bob Rae (Broadview-Greenwood): Mr. Speaker, it has been a rather long road to get to where we are today with

respect to the Bank Act legislation, and I want to indicate to the House that our party will be voting against the Bank Act on third reading, just as we voted against it on second reading. We do that for some very fundamental reasons having to do with the attitude of the Liberal-Conservative party toward our banking system. The Liberal-Conservative party in our view has produced a piece of legislation which, by and large, almost exclusively protects the interests of our largest chartered banks, our largest semi-monopoly companies in this huge financing business. The average citizen, the average consumer, the average business person, those people who deal with the banks either as consumers or as customers in some way or another, have not had the protection which, in our view, they so justly deserve.

The second major concern that we have has to do with the relationship between the Government of Canada—perhaps I should say the governments of Canada—and our banks. Historically Canada's chartered banks have played a critical role in developing the kind of economy under which we currently live, and this Parliament has itself, by virtue of the Bank Act and by virtue of these ten-yearly reviews which we conduct, consistently protected those financial institutions at the expense of their competitors, be they from the public or private sector. It is on those two aspects that I wish to concentrate this afternoon.

I wish to look at the field of consumer—customer or borrower—protection. One may look at this question from several different aspects. I think one has only to think of the very real lack of control which we have over our banks with respect to their relationship with their customers and the very real difficulties that we have in knowing, in precise terms, the kinds of services that they are providing. We do not know whether or not banks are calling demand loans without any justification. In fact one hears anecdotal evidence that this is happening.

We do not know whether or not it is true some of our chartered banks are moving in a fairly systematic way to reduce their activity in the small business sector, the consumer loans sector and the customer service sector, and are moving more heavily into other areas. I suspect that there is a fair amount of anecdotal evidence, and there are even indications from the speeches given from time to time by members of the Canadian Bankers' Association or others, to support the theory that indeed these are not the growth areas or the other areas in which the banks intend to move. I do not wish to go into any detail on all the amendments which have been rejected. The rejection merely reflects a very different philosophy between what my party has been putting forward and what the Liberal-Conservative party has been putting forward.

● (1550)

The Liberal-Conservative party has said that if we write too much into the Bank Act and attempt to control the banks too directly, for example by establishing criteria of fairness and limitations, it would affect their ability to cut off customers. Such restrictions would limit the ability of the banks to make