

Canada is not the domain of the rich and powerful. Canada belongs to every Canadian. It belongs to all of us. We are not here for self-glorification. We are here because we feel we have a legitimate role to play, that the role of this Parliament and the role of government is to defend those who cannot defend themselves.

**Some Hon. Members:** Hear, hear!

**Mr. Turner (Vancouver Quadra):** We do not accept the Tory agenda of *laissez-faire* as expressed in this Budget, in the Throne Speech and in the trade deal. It is adding fuel to the growing concentration of economic power in this country. It is adding fuel to "mergermania", throwing open our businesses to American takeover.

No sooner was the election done with than there were plant closings, mergers and takeovers. Gillette, British Footwear, Northern Telecom, Texaco, Wardair, Consolidated Bathhurst, the list goes on and on.

What is the economic rationale? Where are the new jobs as a result? Where is the new technology? Where are the new ideas? Where is the new efficiencies or so-called synergism? I have not seen any, and it has not been proven as far as I am concerned.

The economists have a delightful word for it. They call it rationalization. It is the rationalization of North American business, the rationalization in favour of American business at the expense of Canadian workers. That is what it is.

Combine that concentration of power in Toronto, in Montreal, especially across the border, with deregulation and privatization of our transport infrastructure, with the privatization of the Post Office and now unemployment insurance, and we have the beginnings of the shutting down of rural and small town Canada.

Those who live outside Vancouver, Toronto or Montreal will be out of luck because the Tories have abandoned 120 years of nation building. They have abandoned 120 years of the principle that living in this country is equality, no matter where one lives the services have to be equal.

Again, the Tory agenda is to remove the Government from a position of controlling national economic policy. We saw yet another example in the way the Minister of Finance so readily agreed to allow American Express to open a bank in Canada. The Order in Council was signed the very day of the election. American Express comes to Canada, and they are not going to leave home without it.

### *Borrowing Authority*

The Government is obviously eager to repay the head of that American company for his support on the trade deal. However, this issue has raised another one which is germane to this Budget. It is the whole question of the ownership of financial institutions and the problem of those institutions having commercial links.

I believe there is a very real risk in allowing such links, first because it will put existing Canadian control of the major part of our financial industry in jeopardy. Existing rules prevent more than 10 per cent of our largest banks being owned by any one entity. However, other parts of the financial industry have become effectively controlled by individuals or groups of individuals, in some cases with as little as 30 per cent or 35 per cent of the shares.

According to the trade deal, American corporations and citizens are to receive national treatment. That is to say, they will receive the same treatment as Canadians, so that any policy that increases the ability of individuals or corporations to secure substantial holdings of Canadian financial institutions will inevitably lead to the erosion of Canadian control.

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Second, I believe that allowing commercial links will increase the risk of failure of these institutions because of the increased possibility of self-dealing. The Canadian experience shows that self-dealing cannot be regulated effectively. That is the same experience the Congress of the United States is now facing south of the border.

Financial institutions have a unique role to play in our economy. They are not an industry like any other. They cannot be left solely to the pursuit of private interests because their success or failure could have a profound effect and impact on our economy. For example, the failure of the Canadian Commercial Bank and the Northlands Bank in Edmonton cost the Canadian taxpayer billions of dollars. The combination of deposit insurance and the now accepted belief that such institutions cannot be allowed to fail by the Bank of Canada increases the risk. The Government, in effect, through the Bank of Canada, through the Ministry of Finance, has become the partner of private financial institutions and the guarantor of last resort for the liabilities of such institutions. As such, the Government has a role and a responsibility to ensure that those institutions are operated in the public interest.