

institutions will be prohibited. This ensures that insurance will continue to be sold by qualified licensed insurance brokers and agents working independently of any deficit taking institution.

At the same time, however, banks and trust and loan companies will be given the power to promote goods and services, including insurance to their credit hard holders. The government has spent considerable time consulting on its proposals with financial institutions and their associations. It has integrated these views with its continuing analysis of the needs of an evolving and dynamic market, both nationally and internationally. This process has led to firm, pragmatic policy decisions that are being put forward to Parliament.

[*Translation*]

This exercise in re-regulation represents a balancing of individual, national, international, federal-provincial and commercial and prudential concerns that will, as a package, serve the public interest well and permit our financial institutions to get on with the job.

The measures set out a framework for strong national institutions that serve the national interest. The reforms also respect provincial rights of supervision and authority in the financial sector.

There is a need for greater consistency among federal and provincial rules in order to avoid balkanization of regulatory regimes and permit our institutions to compete more effectively at home and abroad.

The new legislation and proposals take into account a number of concerns that have been expressed by the provinces regarding matters such as commercial links, the in-house trust powers of banks, and provisions allowing for improved sharing of information among federal and provincial supervisors of financial institutions. This opens the door to in-depth discussions with the provinces to clarify responsibilities for the supervision of financial institutions.

Co-operation between federal and provincial authorities is the most responsible way of ensuring the stability and growth of our national and regional financial institutions. This would reduce the possibility of regulatory and supervisory duplication.

Government Orders

The goal, Mr. Speaker, is to avoid, in practical terms and to the degree possible, the multiple regulation of federal and other institutions operating in several jurisdictions. This approach could be designed to have institutions regulated as much as possible by their jurisdiction of incorporation.

[*English*]

Mr. Speaker, I believe we have much work before us. I hope that I can count, and I am sure that I can, on the co-operation of the House in expediting consideration of the bill now before us as well as the other bills that are to follow.

I believe that in the interests of consumers and in support of increased competitiveness for Canada's financial institutions, it is time for us to get on with the business of reform.

Ms. Catherine Callbeck (Malpeque): Mr. Speaker, I am pleased to be able to speak in favour of the motion for second reading of Bill C-83 regarding financial institutions. I am pleased to do so mainly because modern legislation is urgently needed by the financial industry and we, as legislators, have a duty to help them compete in the new global market.

We also have an equally important duty to protect consumers and ensure the soundness of the financial system in Canada. I believe that all of these interests will be best served by getting this bill past second reading and into committee. Once in committee, we intend to conduct a very thorough study of the legislation.

• (1150)

The need for financial sector reform has become so urgent because this government has been incredibly slow in responding to the needs of the industry with new modern legislation.

The Conference Board of Canada refers to the: "repeated delays in financial sector reform and the urgency for policy makers to move ahead with new legislation in this area". It is in this spirit that we will be supporting this motion.

When the Minister of State for Finance last month tabled this trust and loan company bill and released the policy paper concerning banks and insurance companies, we in the opposition and those in industry, were extremely pleased because this government had finally decided to act. We were disappointed, however, that the government only introduced a policy paper on banks, not