

business in Quebec and the Maritimes. Why, therefore, have you not made the same offer to Quebec and the Maritimes as you have to Ontario and the west? It is a Canadian bank, as is any other bank.

Mr. STEVENS: There was no precise reason why it was not offered, other than the fact that we felt it would be beneficial to the future of the bank to have the bulk of the shareholders in the west, and this has certainly taken place, either directly or indirectly, in the sense of buying shares of the C.F.I. so that 60 per cent of the bank is held in the four western provinces. Our reason for this is that if the bank proposes to do business initially in those provinces, we find as in York Trust, that having shareholders is beneficial in the general conduct of your operation and likewise having shareholders for the bank where it proposes to do business, will be beneficial in getting under way and into business. There was no reason other than that for not offering right across Canada, other than the fact that the demand for the certificates was very much more than we anticipated. I suppose the demand from the west was possibly twice what was actually sold. People were cut back who wanted to buy them, so to spread it across Canada would have made the problem even worse.

Senator BOUFFARD: Just the same, you wanted to do business in the west and in Ontario.

Mr. STEVENS: Well, as I mentioned, there were some technical reasons that the legal fraternity felt that we should clear in the west, because, some stock, including my own personally, and stock of petitioners in Ontario, could not be sold in Ontario unless there was a clearance there. At least the legal fraternity felt it would be unwise to do it without a securities commission clearance.

Senator BROOKS: Could it be that you would not consider competition necessary in Quebec and the Maritime provinces?

Mr. STEVENS: Perhaps you are right.

The CHAIRMAN: Do you mean, senator, that the areas needed to provide competition were in the west and Ontario?

Senator McCUTCHEON: Could you tell us, Mr. Stevens, what executive position you anticipate holding in the new bank, and what executive position Mr. Coyne will be holding, and whether it will be full time or part time?

Mr. STEVENS: First of all, with respect to myself, I would hope to be a director of the bank. I would not be a whole time official of the bank, although I may hold some office, such as vice-president, or something of that nature, but I do not intend to be a whole time operating person. It would be our intention to hire—and we have received inquiries from many possible employees—full time bankers to run the bank.

Senator McCUTCHEON: What about Mr. Coyne and his position?

Mr. STEVENS: Perhaps I should ask Mr. Coyne to speak for himself.

Mr. COYNE: I do not know. Perhaps it would come better from Mr. Stevens.

The CHAIRMAN: Or the board of directors.

Mr. COYNE: Very much so, Mr. Chairman. The board of directors are the people who have to make that decision.

Senator McCUTCHEON: I always thought people who hold 43 per cent of the stock generally control the board of directors.

Mr. COYNE: A number of people suggested to me that they wished me to become associated with the bank as president, part-time if not full-time. I said if that was the desire I would do so. I think far too strong a case has been built up under a large number of "ifs" about this bank being controlled in