

some ways we have to deal with this as a package; although if Your Honour prefers, I can deal with each one separately. However, what has to be said about each of them really applies to the entire group of motions, although with somewhat different impact.

The hon. member for Kenora-Rainy River (Mr. Reid) accuses the mover of these motions of trying to do something through the back door which would not be permitted through the front door. I think the accusation is more appropriate to the sponsors of this bill. The fact of the matter is that the Bank Act quite clearly does not permit this kind of change to take place. There is no law which permits this kind of change to take place, and therefore they have taken the model bill of the Bank Act, twisted it, turned it and distorted it, in order to create a very special set of exemptions which the Bank Act was never intended to accomplish.

Some hon. Members: Shame!

Mr. Saltsman: We are not opposed to IAC turning itself into a bank. We have not even taken a position as to whether the Bank Act itself should be altered in order to permit things of this nature to take place. What we are saying is that we do not think it is appropriate for the sponsors of this bill to drag it in through the back door in the guise of the Bank Act with amendments to the Bank Act. It seems to me that the hon. member for Kenora-Rainy River is arguing that it would not be possible for IAC to transform itself into a bank if these amendments went through, and the result of these amendments would turn the present bill into the model bill which is called for by the Bank Act.

I should like to make a technical point which Your Honour will certainly want to check into. There is nothing to prevent IAC from becoming a bank if all these amendments are accepted by the House. What is at stake is not whether IAC can become a bank, but under what conditions IAC can become a bank and whether the long-standing traditions and practices outlined in the Bank Act are to be upheld. The question is not whether IAC can become a bank, but how big a bank it can become. The assets of IAC are now of sufficient size that they can remove sufficient of those assets, convert them into a bank and continue their present operation under IAC. The difficulty, and what IAC does not want, is to break its corporate structure, the interlocking directors, and all the holds it now has.

● (1710)

Nothing in our amendments prevents it from becoming a bank. We have agreed to the formation of banks in the past. If IAC were to take part in those aspects, it could easily have a corporate structure, as does the Unity Bank and other banks. That is a technical issue that it seems to me Your Honour would want to take under advisement.

I would hope Your Honour would see the amendments as being a way of preventing debate on what is really a very important issue, or cutting short debate on what is a very important issue and a very critical question for this House; that is, whether this kind of conversion of assets, which is strictly prohibited by the Bank Act, and a fundamental

Continental Bank of Canada

change of this kind can be made through the back door by these outlandish changes to the model bill.

Mr. Speaker: Order, please. Before recognizing the hon. member for Edmonton West, I want to recall to the House that we are dealing with one rather unusual point; that all of these motions ought to be ruled out because their effect as a package is to negative the purpose of the bill. With respect, I would think the hon. member for Waterloo-Cambridge goes right to the heart of the matter in the remarks he just made; this is, the point of decision would be that so long as the effect of the amendments is to leave this bank incorporated in some way, shape or form, I could scarcely accept the argument that the effect is to negative the bill.

If it is generally agreed it remains some kind of bank under some kind of conditions, what those conditions are would remain a matter for subjective and procedural argument on the motion. If I considered all motions should be ruled out of order at the same time, the only question in my mind would be whether that would leave an incorporated entity as a bank in some way, shape or form. If it does, I would have to set the hon. member's motions aside.

The hon. member for Edmonton West was interrupted in his remarks when he asked for some direction, so I will return to the hon. member for Edmonton West and then to the hon. member for Kenora-Rainy River.

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, I would have been happier if the hon. member for Waterloo-Cambridge (Mr. Saltsman) had spoken to the point of order rather than to the substance of an argument in principle that he was advocating. In so far as IAC turning into a bank is concerned, that is totally immaterial to the point of order. On the point of order, if it is the allegation of the hon. member for Waterloo-Cambridge that Bill S-30 is a derogation of the model bill, then I would point to amendment No. 2 which strips the bill of any provisional directors, does not substitute any provisional directors, and therefore is in direct contravention.

Bill S-30 cannot qualify under the Bank Act. The Continental Bank could not thus be incorporated at all, in any way. Therefore, I think it is the answer to the interim argument put forward by the Chair that is the point at issue before the Chair at the present time, and that whether there is a bank incorporated, in whatever form, is not for the Chair to decide.

All I say is that the effect of motion No. 2 is not to have a bank at all. In its attempt to remove every reference to IAC it is, in effect, an expanded negative. If the desire expressed by the hon. member a moment ago is that the Continental Bank be not incorporated, then the only thing to do is to vote against the bill. That is all the question of an expanded negative is. Whether I vote one way or another is immaterial to the objective of these amendments. All I say is, what is the effect of such amendments?

I am putting myself strictly on the point of order, very narrowly on the point of order, not as the hon. member for Waterloo-Cambridge did, who argued some philosophical argument about a bank and a financial institution having grown so big it is going to do something with its assets. That has nothing to do with the point of order, in my respectful submission. He can hold his philosophical viewpoint, and that is fine, but it is for some second reading