

While some of the companies in our group are finance companies or at least have the word "finance" in their names, it is important to note that none of the present companies in our group which will invest directly or indirectly in the proposed bank, with the exception of York Trust and Savings Corporation, would be considered banking institutions as that term is defined in chapter 19 of the report. As pointed out above, York Trust will have a small interest in the bank, and if any general legislation or ruling should be passed which would require the divesting of York Trust's interest in the proposed bank, we, of course, would readily so divest York Trust's interest or any other interest which one or more of our companies may hold which was felt to be in contravention of such future legislation or rulings.

Our one hundred petitioners are anxious to proceed with the proposed incorporation. We feel we have met any statutory requirements to date, and the report of the Royal Commission on Banking and Finance indicates no objection to our application being proceeded with, and in fact, time and time again, indicates the desirability of having more competition in the Canadian banking field. We therefore sincerely hope that you will decide favourably with respect to our application.

Gentlemen, I should like to let you know that Mr. Leslie Bodie of Edmonton, who is one of the provisional directors, is with us today and while I don't think he intends to make any statement I just wish to inform you that he is here.

Senator McLEAN: Mr. Chairman—

The CHAIRMAN: Just a moment, senator, please. Gentlemen, we have reached the stage where the committee is free to proceed with its examination of these witnesses. Senator McLean, you were first.

Senator McLEAN: I would like to ask the witness whether this proposed bank starts out with any reserves besides capital stock.

Mr. STEVENS: The par value for the stock is \$10 per share. We propose that they should be sold on a \$15 basis and the extra \$5 would go into reserve.

Senator McLEAN: I notice there was a Western Bank of Canada before which was taken over by the Merchants Bank, which in turn was apparently taken over by another stronger bank. I suppose you have no knowledge of any losses in these transactions. I think in fact the Merchants Bank was taken over by the Standard Bank of Canada and that in turn was taken over by the Canadian Bank of Commerce.

Mr. STEVENS: I am sorry, Mr. Senator, while I have read the general history of banking, I don't know about that specific situation.

Senator McLEAN: I know of a case which has come before us before where the question of names was involved. When a bank takes over another bank it does not generally acquire the name of that bank. That was the case of a bank in New Brunswick. They didn't take over the Bank of New Brunswick, it was the New Brunswick Bank.

The CHAIRMAN: Senator McLean, I don't really think there is any question about that. I do not understand that, if this bill is otherwise acceptable, there is any contest about the name.

Senator McLEAN: Past history shows that banks taking over weaker banks are opposed to any other bank taking over the name. I don't think, for example, you could start a Bank of Hochelaga today.

The CHAIRMAN: That is something we shall have to consider when considering the bill section by section. We have not had any objections to the name filed with us.