

There were 2 per cent who said they would like their money back. I understand what they meant by that was that they had not in any way lost interest in the idea of a new bank but they were discouraged by the fact we had waited two years and still did not have a charter. They felt it could go on another year and they would still not have a charter. In the meantime, they felt they should have their money back. But, the tone of the meeting was substantially in favour of extending the deadline by one year.

Mr. LEWIS: I suppose you or Mr. Coyne, or both of you, chose western Canada for your operations, at least to start with, because, quite frankly, you were interested in making a success and a profit out of the business, and that is the area where you thought you could do best in present day Canada, where there is perhaps less competition. Is that the reason you have chosen that area?

Mr. COYNE: If I could answer your question, Mr. Lewis, in my own view I thought there would be the widest public response in respect of that area.

Mr. LEWIS: Yes, the opportunity for success would be greatest. You thought there would be a need for more capital outlets, as it were, and if you concentrated on the western area you would have appeal to the western people and make a success of it.

Mr. COYNE: Yes.

Mr. LEWIS: There are one or two points that I would like to discuss with you, Mr. Coyne, which are of a general nature.

You say there is need for more banks in Canada. Is that because the existing banks are not equipped to meet the monetary and credit requirements of the country?

Mr. COYNE: If I have said there is need for more banks I will have to explain it further. I tried to say there is room for more banks and it is desirable that there should be more. Undoubtedly, the existing banks are providing financial facilities far and wide throughout the country. There are eight of them. If there was only one I suppose it could provide just as many branch offices as if there were eight. And, if there were 30 there might be the same total number of branches. My view on this general question is that it is desirable to have more centres of decision, more head offices, more decentralization of decisions and of initiatives in this field and in a good many other fields as well.

Mr. LEWIS: What would be the limit in that respect? I am questioning this very seriously as a citizen. What would be the limit? Suppose this parliament and this committee had before it 25 applications for the incorporation of banks. When you say there is room for more banks are you saying there are now only eight banks and, therefore, Canada can do with a few more, or are you suggesting that this parliament, this committee, the Department of Finance, the Bank of Canada should not care how many banks are set up?

Mr. COYNE: I do not think as a mere abstract theory you can set any limit. I cannot see how one can set any arbitrary limit. I do not suppose you ever will have 25 applications before you at any one time. My own view, which is not directly germane to our application, on this general question is I would allow almost any respectable sort of person who could raise capital and who was being adequately supervised by the public authorities to start a bank or any other worth-while business.