

*Industrial Development Bank Act*

borrow at 8, 10 or 12 per cent in some circumstances.

If the minister tells me that sometimes a loan is granted within a week, I think that he is picking an exception. In fact, I have been aware of certain cases where, for loans from \$10,000 to \$50,000 at the maximum, borrowers have had to wait more than 3 months before securing such a low loan, when they had the minimum of securities required by the Industrial Development Bank.

I wanted to ask the minister if he could give the assurance that the administrative formalities will be simplified, so that those who need money will not be forced to wait until their enterprise is in danger. That is the assurance I would like to get from the minister.

**Mr. Chrétien:** Mr. Chairman, I can assure the hon. member that his remarks have been noted and that they will be submitted to the board of directors of the bank. I said earlier in my remarks, on the debate on second reading, that as an individual or member of parliament I had had to put up with delays on a few occasions, something which had not pleased me. I feel, on the other hand, that the bank is doing what it can. It might be a good thing, however, if it speeded up its operations a little.

[English]

**Mr. Monteith:** Mr. Chairman, just to keep the record straight, am I to understand that the figure for other liabilities totalling \$9,754,140 for the Industrial Development Bank, which appears in the *Canada Gazette* for October 28, 1967, will be reduced when the final statement comes out?

**Mr. Chrétien:** Yes.

**Mr. Monteith:** Am I to understand also that when the annual statement does come out, the report of the president and statement of accounts for the fiscal year 1967, the difference will be explained, that is, why other liabilities are not this figure of \$9,754,140 but somewhat less? If there is any great difference between the previous fiscal year and this fiscal year, I think that should be explained also.

**Mr. Chrétien:** Yes, I agree; that is a very good suggestion. I was confused at the beginning because I did not have the figures at hand so I was not in a position to compare them. The hon. member has a very good point and I think the bank will take the

[Mr. Valade.]

necessary steps to make this situation clear in the future.

**The Chairman:** Shall clause 5 carry?

Clause agreed to.

• (5:20 p.m.)

On clause 6—*Aggregate liabilities.*

**Mr. Aiken:** Mr. Chairman, clause 6 deals with the amount of paid up capital and the total contingent liabilities of the bank. I should like to make some inquiries of the minister as to why the loss ratio between the various categories of loans is not shown in the annual statement of the Industrial Development Bank.

The loans that are made are shown by category, being broken down into the type of industry to which the money is lent and so forth, and this does give us some idea where the bank is investing its money. However, I think it will be of help to hon. members if we know where these losses are sustained and in what categories of loans the bank's operations are too far out on a limb.

This whole problem relates to the matter raised by the hon. member for Sainte-Marie as to the degree of risk that the bank is prepared to take and the amount of security that it requests. This matter concerns not the field staff or the district offices but the attitudes of head office and the administrative procedures that are adopted. If we had some idea of the loss ratio between the various categories this might explain the reluctance to make certain loans. It might also explain some of the delays in the procedure. Would the minister tell us whether these losses are broken down and, if so, where we could find the breakdown?

[Translation]

**Mr. Chrétien:** Mr. Chairman, on this point, I think that what the hon. member for Parry Sound-Muskoka (Mr. Aiken) has just said is most appropriate. Unfortunately, at this time, it is not to be found in the annual reports of the bank. However, I shall pass on the suggestion of the hon. member, because it would enable people interested in the operations of the Industrial Development Bank to see how the loans are authorized and where the greatest risks are involved in the loans that they can make.

[English]

Clause agreed to.

Title agreed to.

Bill reported.