

Private Bills

Mr. Patterson: Mr. Chairman, I wish to make just a few observations in connection with Bill No. S-16, an act to incorporate the Bank of British Columbia. If we follow the history of the application to create this bank we see that it has had a rather uncertain voyage. But we are pleased that at last the bill has reached committee stage in the house. Some time ago applications were before the house in respect of other banks and the application by British Columbia was stalled in the other place. We therefore felt it necessary to delay the passage of those other bills until this one was given some assurance of approval.

Political considerations have to some extent entered into the picture. Certain individuals objected violently to the idea that British Columbia was making application for a bank charter. They objected because the provincial government was to have the privilege of being a shareholder. Groups of people took exception to the incorporation of this bank. Even the Minister of Finance stated that the passage of a bill such as this would be a repudiation of the responsibility of the federal administration in the field of banking. We have never subscribed to that theory. We have never agreed with that argument, and I believe there are many ways in which we can prove that it is not well-founded.

The incorporation of this bank would not interfere with federal jurisdiction in the field of banking, and we are pleased that the bill has reached this stage. I believe it is desirable that there be competition in the banking field. This fact was recognized by the Royal Commission on Banking. It is desirable that there be competition among banks, even though the hon. member for Timiskaming is of the view that if we have a multiplicity of banks it does not mean that we have competition. I believe it is possible that if we have enough banks there will be some competition in this area.

The residents of the province from which I come look forward to the establishment of this bank. I believe it is desirable that there be a decentralization of banking institutions so far as their head offices are concerned. I do not think it is right that all head offices of banks should be located in the central part of this nation. We should recognize the fact that all of this great nation of ours is a single entity and therefore there should be decentralization so far as the head offices of these institutions are concerned.

I believe it is desirable to have the head office of this bank in British Columbia. We all
[The Acting Chairman (Mr. Richard).]

know that large loans must be approved by the head office, and there is always the possibility that if the head office of a financial institution is located in one area it could react adversely on the service offered to other sections of the country. Looking at this question from another point of view, I believe that people could find themselves in a squeeze in endeavouring to obtain development capital because if the head office which gives approval is located in the central part of Canada it could have an adverse effect upon those people living in the outlying areas of this nation.

● (5:40 p.m.)

Reference has been made to the amendments to the original bill. I do not think they were all desirable. I think that some of the provisions in the original bill were perfectly satisfactory and legitimate and I do not feel they should have been deleted. However, that was done, and we have reached the point at which the bill to establish this bank has received general approval. We anticipate that our province and Canada as a whole will greatly benefit thereby.

The hon. member for Timiskaming expressed his surprise at the support of the bill as it stands by hon. members from British Columbia. He referred to some of the original provisions in the bill and he indicated that the deletion of those provisions from the bill has watered it down to the point that it will cease to be of great value to the province of British Columbia. We have discovered in the house that one cannot expect a whole loaf of bread all the time and in fact one does not usually get it. Sometimes one has to be satisfied with half a loaf and sometimes with only one slice. Nevertheless we believe that the bill as it now stands is better than no bill at all and that the Bank of British Columbia operating under the provisions outlined in the bill is better than no bank at all. Therefore I am very happy that the bill is before the committee and I trust it will receive unanimous approval.

Clause agreed to.

Clauses 2 to 4 inclusive agreed to.

On clause 5—*Directors and executive officers.*

The Chairman: The committee on finance, trade and economic affairs recommended that clause 5 be deleted. Is the amendment agreed to?

Mr. Howard: Mr. Chairman, I rise on a point of order. You asked the committee