

*Inquiries of the Ministry*

**Mr. McIlraith:** Mr. Speaker, some of the ministers will be leaving shortly. Many of them are here now, in fact even more than will be available later on. Perhaps we could proceed at this time with orders of the day.

**TRANSPORT****RETROACTIVE INCREASE IN PAY OF RAILWAY WORKERS**

On the orders of the day:

**Mr. J. N. Ormiston (Melville):** Mr. Speaker, while the Minister of Labour is still in the house I should like to ask him whether any ruling has been given regarding a retroactive increase for Canadian National and Canadian Pacific railway workers who resigned or were laid-off between January 1 and September 2 of this year?

**Hon. J. R. Nicholson (Minister of Labour):** Mr. Speaker, I thank the hon. member for giving me notice of this question. This is a question that can only be answered by the Minister of Transport or his associate, the Minister without Portfolio after inquiry as to facts. Neither of those gentlemen is in the house but I can assure the hon. member I will take his question as notice and ask one of them to reply at the next sitting of the house.

**EXTERNAL AFFAIRS****MERCANTILE BANK—ALLEGED PRESSURE BY U.S. TO CHANGE BANKING LEGISLATION**

On the orders of the day:

**Mr. Colin Cameron (Nanaimo-Cowichan-The Islands):** Mr. Speaker, my question is for the Minister of Finance. Can he inform the house whether it is correct, as has been indicated, that the government of the United States has exerted diplomatic pressure on the government of Canada to change certain provisions of the bill to revise the Bank Act now before the committee on finance, trade and economic affairs? I refer to the provisions which will limit the growth of the Mercantile Bank, a wholly owned subsidiary of the First National Bank of New York. If in fact pressure has been exerted will the minister indicate to the house the nature of the response of the Canadian government?

**Hon. Mitchell Sharp (Minister of Finance):** Mr. Speaker, we have received two notes from the United States government relating to the proposed changes to the Bank Act, however, it is not the intention of the government to reveal their contents as they are privileged

documents exchanged between our two governments.

**Mr. G. W. Baldwin (Peace River):** I have a supplementary question, Mr. Speaker. Without revealing the contents of the notes can the minister indicate whether the communications received from the government of the United States are of such a nature as to require very serious consideration?

**Mr. Sharp:** Mr. Speaker, the government of Canada always gives serious consideration to representations from the United States government, just as we hope the United States government does in respect of representations from us.

**Mr. G. L. Chatterton (Esquimalt-Saanich):** Is it possible for the minister to reveal whether this concerns the Mercantile Bank?

**Mr. Sharp:** Yes, Mr. Speaker; the representations do include reference to the Mercantile Bank.

**Mr. Cameron (Nanaimo-Cowichan-The Islands):** Could the minister tell us whether the government of Canada still is maintaining the position which he announced I believe at the time of the introduction of the resolution preceding the Bank Act?

**Mr. Sharp:** Well, Mr. Speaker, the hon. gentleman is a member of the house committee on finance, trade and economic affairs, and I do not think he has seen any evidence of any proposed changes in that act or any announcement of any proposed changes.

[Later:]

**Right Hon. J. G. Diefenbaker (Leader of the Opposition):** Mr. Speaker, I was not in the house when questions were directed to the Minister of Finance with regard to the most unusual action of the United States State Department in communicating with the Canadian government regarding legislative policy. The minister has stated that he is not going to give any information concerning the reply, and I am not going to argue that question at the moment. I should like to ask him, however, in view of such an obvious invasion of Canadian sovereignty, carrying the threat that unless Canada conforms there will be the possibility of legislation by the United States, whether the minister can give to the house this one assurance, that once parliament has decided—a decision having first been made by the government—Canada will follow the