

House of Commons Debates

SECOND SESSION—TWELFTH PARLIAMENT.

HOUSE OF COMMONS.

TUESDAY, May 20, 1913.

The SPEAKER took the Chair at eleven o'clock.

FIRST READINGS.

Bill No. 214, respecting the Hudson Bay Insurance Company.—Mr. Knowles.

Bill No. 215, to incorporate the Roman Catholic Episcopal Corporation of MacKenzie.—Mr. Proulx.

Bill No. 216, to incorporate the Ruthenian Greek Catholic Episcopal Corporation of Canada.—Mr. Macdonald.

Bill No. 217, to incorporate the Canadian Northwestern Railway Company.—Mr. McKay.

Bill No. 218, respecting the Empire Life Insurance Company of Canada.—Mr. Bradbury.

Bill No. 219, respecting the Casualty Company of Canada.—Sir Edmund Osler.

Bill No. 220, to enable the city of Winnipeg to get water outside the province of Manitoba.—Mr. Bradbury.

Bill No. 221, to amend the Petroleum and Naphtha Inspection Act.—Mr. Nantel.

Bill No. 222, to amend the Adulteration Act.—Mr. Nantel.

Bill No. 223, to vest in the Van Buren Bridge Company the charter rights of the Restigouche and Western Railway Company to construct and maintain a railway bridge across the Saint John river.—Mr. Carvell.

WINNIPEG WATER SUPPLY.

Mr. BRADBURY: By permission of the House, I move that Bill No. 220, to enable the city of Winnipeg to get water outside the province of Manitoba, be now read a second time. The matter is very urgent, and it is desirable that operations be proceeded with immediately.

Mr. SPEAKER: This can be done only with the unanimous consent of the House.

Mr. BRADBURY: I ask for the unanimous consent of the House.

Motion agreed to, and Bill read the second time.

BANKS AND BANKING.

Consideration in committee of Bill No. 36, respecting Banks and Banking—Hon. W. T. White (Minister of Finance)—resumed from May 16. (Mr. Deputy Speaker in the Chair.)

On section 43—transfer and transmission of shares:

Mr. WHITE: This is the section which was under discussion at the instance of my hon. friend from Carleton, N.B. (Mr. Carvell). It provides that a person making a transfer of bank shares must leave enough to discharge his debts to the bank. I explained to the committee on Friday when this matter was under discussion in the Banking and Commerce Committee and that, after hearing the evidence on this point, the committee came to the conclusion that this legislation was in favour of the shareholders rather than of the banks themselves. Under the Bank Act, a bank is not permitted to loan upon the security of its own stock or of the stock of any other bank. But it is often found very convenient for shareholders to be able to obtain an advance from the bank which they would not otherwise be able to obtain really upon the security of their own shares under the authority of this legislation. In times of money stringency it is of very considerable advantage to shareholders, because the only alternative would be to sell the shares or to obtain a loan elsewhere, and at such a time a loan might be difficult to obtain. The committee, after hearing the evidence from bankers and others, I think, very generally came to the conclusion that the section should be allowed to stand as in the existing Bank Act. I said on Friday that it did appear at first blush that the exceptions taken by my hon. friend from Carleton were justified and that this was an anomaly not found in legislation affecting joint-stock companies, and so was