

contingencies, is in excess of the reasonable requirements of the bank having regard to all the circumstances, the Minister shall notify the Minister of National Revenue and the Deputy Minister of National Revenue (Taxation) of the amount so set aside and of the amount of such excess, but nothing in this subsection shall be construed to give the Minister any jurisdiction over the discretion of the directors of the bank with regard to amounts set aside reserved or transferred to any reserve or other fund from income upon which taxes have been assessed under the Income War Tax Act or the Excess Profits Tax Act, 1940.

After discussion, and the question having been put, the motion was resolved in the affirmative.

Clause 56, as amended, was adopted.

Mr. Slaght moved that Clause 59 be amended by striking out in the second line thereof the word *five* and substituting therefor the words *one hundred*, and by inserting before the word *deposit*, in the third line thereof, the word *demand*; and

That a new subsection be added to Clause 59 to read as follows:—

The bank shall not make loans to the Government of the Dominion of Canada or any Department thereof.

At 1 o'clock p.m. the Committee adjourned until this afternoon at 4 o'clock.

AFTERNOON SITTING

The Committee resumed at 4.10 o'clock p.m., the Chairman, Mr. Moore, presiding.

Members present: Messrs. Black (*Cumberland*), Blair, Cleaver, Eudes, Fraser (*Northumberland*), Graham, Gray, Hanson (*York-Sunbury*), Jackman, Jaques, Jean, Kinley, Laflamme, Lafontaine, Macdonald (*Brantford City*), McGeer, McGibbon, McIlraith, McNevin (*Victoria, Ont.*), Marier, Moore, Noseworthy, Perley, Picard, Ross (*St. Paul's*), Ryan, Slaght.

In attendance: Hon. J. L. Ilsley, K.C., Minister of Finance; Dr. W. C. Clark, C.M.G., Deputy Minister of Finance; Mr. C. S. Tompkins, Inspector General of Banks.

Consideration of Mr. Slaght's motion was continued.

At 6.00 o'clock p.m., the Committee adjourned until Wednesday, July 19, at 11.30 a.m.

WEDNESDAY, JULY 19, 1944.

The Standing Committee on Banking and Commerce met at 11.40 o'clock a.m., the Chairman, Mr. Moore, presiding.

Members present: Messrs. Black (*Cumberland*), Cleaver, Fraser (*Northumberland*), Fraser (*Peterborough West*), Graham, Gray, Hazen, Jaques, Jean, Kinley, Laflamme, Lafontaine, Macdonald (*Brantford City*), Macmillan, McCann, McGeer, Marier, Mayhew, Moore, Noseworthy, Perley, Ross (*St. Paul's*), Ryan, Slaght, Ward.