

The first amendment deletes clause 5 of the bill, as passed in this place. Clause 5, as honourable senators will recall, requires that:

(1) A majority of the directors of the Bank shall be resident in the Province of British Columbia.

(2) A majority of the executive officers of the Bank shall be resident in or shall have their ordinary residence in the Province of British Columbia.

The question as to the exact intended nature of this bank was raised in the other place and was specifically directed to whether it was intended, as the sponsors had mentioned time and again, that it should be a national institution or be confined in a regional manner. It was felt that clause 5, by placing a limitation with respect to the residence of directors, put a decidedly regional cast on the bank. It was felt also that this was in conflict with the expressed intention that it should be an institution of a national character. As to who the directors should be, it was felt that this should be a matter to be decided entirely by the shareholders, subject, of course, to the restrictions contained in the Bank Act generally. For these reasons, it was seen fit to amend this bill by deleting clause 5.

The second amendment of substance was the addition of a new clause requiring that:

No executive officer of the Bank shall be a director, employee or officer of any Government or agency thereof.

I am sure honourable senators will recall that when the original bill was before us for debate in 1964 concern was expressed with regard to the possible association between governmental officers and the provisional directors named in the original bill. That bill died on our Order Paper.

The bill we had before us earlier this year came without that association being present, and although today this association has been dissipated, that concern lingered in the minds of the members dealing with this legislation in the other place. Their concern was that if this association by any chance did persist, a conflict of interest might arise as between the interests of the provincial government and the interests of the bank. So, in amendment, this new clause was inserted to remove that possibility.

I think I can safely assume that both these amendments will commend themselves to this house as being in keeping with our own deliberations on this bill. I should add that these amendments met with the full concurrence of the sponsors of the bill.

As I mentioned previously, apart from the deletion of clause 5 and the insertion of the new clause 13, to which I have just referred, the other 18 amendments are merely for the purpose of renumbering the sections and the references to them throughout, to accommodate the deletion and the insertion.

Amendments concurred in.

## APPROPRIATION BILL NO. 10, 1966

### SECOND READING

**Hon. John J. Connolly**, moved the second reading of Bill C-254, for granting to Her Majesty certain sums of money for the public service for the financial year ending the 31st March, 1967.

He said: Honourable senators, this appropriation bill is in the usual form, and I think I need not dwell upon the sections of the bill itself. However, I will devote my attention, and I hope yours, to the purpose behind the bill. The fact of the matter is that there are some 70 million people in India and Pakistan who are in dire distress on account of hunger caused by the failure of crops. The worst of this condition prevails in two provinces of India, and some 25 per cent of the Indian population is affected.

I should like to read to the chamber the letter dated November 16, 1966, from the Prime Minister of India Mrs. Indira Gandhi, to the Prime Minister of Canada, because it explains better than I can the circumstances under which this bill comes before us this afternoon. The letter reads as follows:

For the second successive year, our country has been afflicted by drought. Earlier in the year, we were looking forward to a good, if not a bumper, crop because of our efforts to introduce better seeds and to increase the use of fertilisers. To start with, the rains too were good. But, as we approached harvest time, the rains suddenly stopped in certain parts of the country, irretrievably damaging standing crops and creating a grim unprecedented situation affecting nearly 70 million people in the densely populated States of Bihar and Uttar Pradesh. The situation we now face is more serious than the one that we have just tided over, because there are no carry-over stocks from the last crop.

It has been my earnest hope that in the coming months, we would be able to manage with a lower level of imports and that