

Mr. STEVENS: Yes.

Senator McCUTCHEON: Their combined holding is 230,000 shares?

Mr. STEVENS: The combined holding of institutions and petitioners in that regard would be 230,000.

The CHAIRMAN: Any other questions of Mr. Stevens?

Mr. COYNE: I wonder if I could say something in respect to the point raised by Senator Molson. This is something I gave a lot of thought to in the planning of this project. Senator Molson asked whether a high degree of stock ownership would be closely held. Well, opinions differ on this, but I think it is 30 per cent. I would like to say there was an alternative to which we gave some thought and that would be to have the stock in the proposed bank, or in the bank itself after incorporation, sold entirely to the general public in relatively small amounts, if that were possible. It was a very big question whether you could raise enough capital that way. We had to work this step by step as the project developed, but there was also the danger that if all the stock in a new institution were widely scattered, some other large and powerful group could come along and sweep up that stock in the market and it probably would not be a very hard thing to do. Somebody who wished to take control of such an institution might well pay a profit of 50 per cent to small shareholders and buy them out. I thought that was a greater danger, and a more unknown danger than anything else. I thought that there was real value to our bank, to our community and to the interests of Canada in making sure that a sufficient volume of stock was closely held in strong hands of people experienced in the financial world, who had made a success of their own businesses, and who were strongly pro-Canadian.

There is also the question of foreign control which will come up everywhere and in all fields. It is still possible today for large foreign interests, if they were determined enough, to acquire control of one of the existing Canadian banks by purchasing stock on the market. I think this is a danger which the Government and the Royal Commission pointed to, and I personally hope something will be done about it by general legislation. But in my opinion, for what it is worth, we in this project took the best possible line to ensure control would not get into the hands of other large financial institutions or into the hands of foreigners.

The CHAIRMAN: Senator McCutcheon, you wanted to raise a question?

Senator McCUTCHEON: Mr. Coyne has raised the question of 30 per cent. Is he quarrelling with Mr. Stevens' figure of 43.3 per cent?

Mr. COYNE: I didn't quite follow that. The situation could arise where a minority interest could control a company. I want to say that any company of which I am president will never be controlled by a minority interest in the way Senator McCutcheon has in mind.

Senator LEONARD: The question put by Senator Molson was on the question of heavy responsibility. I would like to put it to Mr. Coyne. What do you say as to the heavy responsibility on you yourself and on Mr. Stevens and those associated with you in embarking on this?

Mr. COYNE: I agree there is a heavy responsibility upon us, sir. I think there will be a heavy responsibility put on anyone coming to Parliament and asking for the incorporation of a bank or even a mortgage company or trust company. I hope we have in Canada people who are willing to accept heavy responsibility. I don't know how else one could get new and large enterprises started and carried on. I hope there will be people in Canada willing to put their money into new enterprises, and to some extent they will be influenced in those decisions by the kind of people who invite them to do so, and whether