

hand we are against an application being treated differently from other applications.

Today we are considering Bill No. C-95. There is also Bill No. C-99 to incorporate the Bank of Western Canada, but the bill we do not have concerns a bank which would be called the Bank of British Columbia. This bill has not been dealt with in the other place, in the same way as the two other applications for the setting up of new banks in Canada. When the three bills respecting the setting-up of banks are introduced together in the house, and referred later to the Banking and Commerce committee, we will allow the passing of Bills C-95 and C-99; but until then, if any discrimination is shown as at present, we in turn, will do likewise.

We are now considering the amendment moved by the hon. member for Charlevoix (Mr. Bélanger), for a six months' hoist. Well, after the vote on the amendment moved by the hon. member is taken, we will introduce a further amendment for another six months' or even 12 months' hoist if necessary. So long as the other bank bill is not introduced in the same way as the other two I have just mentioned, we will vote against the others.

Bill No. C-95 provides that:

—the persons hereinafter named have by their petition prayed that it be enacted as hereinafter set forth—

Precisely along the same line as the act now governing chartered banks in Canada.

—and it is expedient to grant the prayer of the said petition: Therefore Her Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

1. Peter Paul Saunders, Executive, Andrew Elliott Saxton, Executive, William Crossley Mainwaring, O.B.E., Executive, Paul Britton Paine, one of Her Majesty's Counsel, Howard Theodore Mitchell, Publisher, and Edgar John Saba, Merchant, all of the City of Vancouver, in the Province of British Columbia, and Lionel Leroux, Notary, and Bernard de Lorimier Bourgeois, one of Her Majesty's Counsel, both of the City of Montreal, in the Province of Quebec, together with such persons as become shareholders in the corporation by this Act created, are incorporated under the name of Laurentide Bank of Canada, hereinafter called "the Bank".

Now, Mr. Speaker, I have received in my office, among the citizens I have just mentioned, visitors from British Columbia and the province of Quebec who told me that the purpose of this bank is to give sound help to the poor French Canadians of the province of Quebec who have been unable, up to the present, to finance their own projects through their own financial institutions, and to help small wage earners in the province of Quebec to spread their wings, to gather

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economic momentum, to develop and to expand the economy of the province of Quebec.

In the province of Quebec, we have chartered banks. For instance, the National Canadian Bank, which was established by French Canadians, to assist French Canadians, to finance the province of Quebec, to finance the economic development of the province of Quebec. There is not a single Canadian bank that is stingier than the National Canadian Bank when it comes to banking operations, to assisting the economic development of a province like ours or of any province.

An hon. Member: One has to resort to the Royal Bank.

Mr. Caouette: Yes, one has to resort to the Royal Bank.

I can see that the hon. Member for Argenteuil-Deux-Montagnes (Mr. Drouin) is applauding. He probably finds it difficult to borrow from the National Canadian Bank.

The privileges requested by the Laurentide Bank are exactly those enjoyed by the other chartered banks throughout the country. What are those privileges? Well, let us assume I walk into the Laurentide Bank of Canada after it has been established, and I borrow \$10,000. Under the law now governing Canada's chartered banks, I borrow \$10,000 at 6 per cent interest, which amounts to \$600. As I do not quite need the \$10,000 immediately, I put the money into a savings account rather than a current account. The bank will pay 3 per cent interest on my savings account, that is \$300 on my \$10,000 deposit. This means that I lose \$300 per year if I do not use the \$10,000 I have borrowed.

But that is not the paradox. It is that, whenever I open a savings account in any branch of a bank in Canada, immediately my savings account is transferred to the reserve account of the said bank, and then the bank has, or will have soon, a right—if the legislation to decrease their reserve to 7 per cent comes into force—to multiply my \$10,000 savings account by 14½ times, thus creating \$145,000 worth of credit at 6 per cent interest; this will yield the bank \$8,700 in interest per year, in addition to the \$600 I pay on my loan, which means \$9,300 in addition to the \$10,000 I borrowed one year before. That is the paradox. And that is the monetary system that the Grits as well as the Tories persist in maintaining in Canada, a system which breeds poverty and which resulted in small people becoming smaller in greater numbers and in big people getting