

Private Bills

financial institutions. The second was the concentration of the financial system.

This is not the time, Mr. Speaker, to discuss over-all banking procedure and the monetary system. We are looking forward to the opportunity of debating this more fully when we return to the various bank items that have been introduced and which will be considered at a later date. There have been several developments that are giving cause for great concern. First of all, there was the announcement by the Minister of Finance (Mr. Gordon) concerning his intention to introduce amendments which would prohibit provincial governments from owning bank's shares. This subject may be considered a little beyond the ambit of this particular bill, but it does mean that provincial governments would not be able to invest any money whatever in the shares of this particular bank, were it to be granted a charter. I think the Minister of Finance knows very well that when he brings this matter before the House there is going to be serious opposition taken to it. It is going to be criticized most strongly because we are definitely of the opinion this is something that should not be done; he should not forbid provincial governments purchasing the shares of banks. We believe it is an infringement of the rights of the elected representatives of the people in another jurisdiction to introduce such a measure. This is one of the things that is causing a great deal of concern and it does enter our minds when we are discussing the measure we have before us.

The other factor is the action of the other place in dealing with applications such as the one we have before us today. As has been pointed out, there were three applications to the other place during the last session. It seems that two were granted without serious opposition, yet the third was turned down. When the report of the Banking and Commerce Committee of the other place was dealt with, one application was rejected and the matter referred back to the Banking and Commerce Committee. The interesting thing is, Mr. Speaker, that the application of the Bank of British Columbia was referred by the other place to the Banking and Commerce Committee. Then the other place immediately took a long recess. It does not seem as though they are too much interested in getting this particular application through, at least not as much interested as they were in getting the other two applications through. These things seem rather strange. There may be certain considerations that enter into the

[Mr. Patterson.]

picture which may be questioned, but it certainly looks rather strange from this vantage point.

There are other things that I believe are of interest about the particular bill before us. It has been indicated the bank intends to establish headquarters in Vancouver. We all appreciate the tremendous developments that are taking place in British Columbia. Certainly I think that Province warrants something like this. I feel it is a good thing so far as this particular measure is concerned. Then, too, the directors are residents of Canada. This is commendable because in the past there has been a great deal of opposition to the acquisition of Canadian enterprises and industry by those outside our borders. This is a desirable feature, therefore, of this particular measure.

As I say, Mr. Speaker, I believe that the multiplication of banking institutions in Canada is a desirable thing. I have no particular objection to this particular bill except this, and it has been mentioned several times and was dealt with specifically by the hon. Member for Lake St. John (Mr. Lesnard) last session, when he pointed out that the bank could possibly become the wholesale office for the retail outlets of the Laurentide Finance Company. This is something open to question; we wonder if it is desirable. It could be abused and it could possibly have a very serious effect on our people and on our economy. Nevertheless, let me say again that I believe there should be additional banks established in Canada. For that reason, I believe that possibly we should delay the passage of this particular bill until the other one comes from the other place. Then, as has been pointed out, the three could be considered together in the light of the needs of Canada for banking institutions and in the light of the debates that will possibly take place on the question of banks and banking in Canada.

• (5:50 p.m.)

[Translation]

Mr. Réal Caouette (Villeneuve): Mr. Speaker, Bill No. C-95, an Act to incorporate the Laurentide Bank of Canada, has been under study and under consideration for a few weeks under this title, while last year we considered a similar bill from the other place.

As was stated by the hon. Member for Fraser Valley (Mr. Patterson) we have no objection to the proliferation of banking institutions or banks in Canada. On the other