

*Private Bills*

members who wish to speak on this bill, and that is all I propose to say at this time.

**Mr. Deputy Speaker:** Order. It being five o'clock, the house will now proceed to the consideration of private members' business as listed on today's order paper, namely notices of motions, papers; private bills, public bills.

**PRIVATE BILLS****LAURENTIDE BANK OF CANADA**

**Mr. Ron Basford (Vancouver-Burrard)** moved the second reading of Bill No. S-13, to incorporate Laurentide bank of Canada.

He said: Mr. Speaker, it is my pleasure and honour to move the second reading of Bill No. S-13, to incorporate the Laurentide bank of Canada and to ask the house to refer the bill to the standing committee on banking and commerce. The incorporation bill in this case follows the example set out for these acts in the Bank Act. You will note from sections 1 and 2 of the bill that the sponsors of the bill and the provisional directors of the proposed bank are Mr. Peter Paul Saunders and Mr. Andrew Saxton, president and executive vice president respectively of Laurentide Financial Corporation, together with Mr. William Mainwaring, Mr. Paul Paine, Q.C., Mr. Edgar Saba and Mr. Howard Mitchell, all of the city of Vancouver, and Mr. Bernard Bourgeois, Q.C. and Mr. Lionel Leroux, both of the city of Montreal.

Naturally the sponsors will appear before the banking and commerce committee, where each of them may be examined individually as to his experience and ability. I would assure the house now that all of them are men of wide and varied experience in the financial, professional and business activities of their communities.

The capital of the new bank will be \$30 million, divided into three million shares. The banking and commerce committee will be able to examine the plans for sale and distribution of these shares in detail. However, that committee will see that through the proposed distribution to the widely dispersed and varied existing Canadian shareholders of Laurentide Finance to the extent of 47 per cent, and through underwriters to the general public to the extent of 53 per cent, the shareholders of the new bank will represent a wide and varied segment of the investing public and that control of the bank will not rest with any small group of people or corporations.

Section 5 of the bill is a special section which provides, first, that the directors of the bank shall be Canadians and, second, that at least 90 per cent of the shareholders of the bank shall be Canadian. These provisions anticipate the legislation that we were discussing in the house this afternoon, and which we will be discussing this evening, as introduced by the Minister of Finance (Mr. Gordon). It is interesting to note that long before the Minister of Finance introduced this legislation, the promoters of three private banks were prepared to come to parliament promoting them in terms more stringent than the legislation introduced by the Minister of Finance.

Hon. members will note from the bill that the head office of the Laurentide bank shall be in Vancouver; that six of its provisional directors are from British Columbia and two are from the city of Montreal. It is intended that the bank shall be thoroughly national in character. It is obvious that any new national bank must start from some regional base, as did our existing chartered banks, and therefore the first branches will be opened in and around the two cities of Vancouver and Montreal, where the provisional directors reside. It is intended eventually, as conditions warrant, to provide a general banking service throughout Canada. It is because the head office will be in Vancouver and the principal management will be located there that I am proud to associate myself with this bill and with the incorporation of the Laurentide bank of Canada.

Without being critical of the existing banks, I am also aware of the difficulty that western Canadian businessmen face in capital formation. In the west, and in British Columbia particularly, we have a fast growing and developing region, a boom area, and yet not one chartered bank has seen fit to have a head office west of Toronto—a head office and financial policy oriented to the special needs and problems of western Canada. We in British Columbia have long felt the need of establishing financial institutions that are oriented to our special needs and problems, and I would hope that no one in this house will stand in the way of helping to fill this need for British Columbia.

Many members are not familiar with the tremendous developments going on west of the Rockies. Briefly I would point out that the gross provincial product of British Columbia, as of 1963, is equal to the gross national product of Canada in 1924. In 1924 Canada had some 19 chartered banks instead of the