

Support for this view is found in the Porter Royal Commission on banking and finance where, in the Commission's final assessment and summary it is stated on page 563, and I quote:

"There is a danger that competition can be weakened by collusion or excessive concentration of power. This is particularly the case with the banking institutions and we have therefore recommended in Chapter 18 that there be a prohibition on agreements between them with respect to lending and borrowing rates, and that this prohibition be supported by appropriate powers and penalties."

Again the commission states on page 564 of their report, and I quote:

"We have, in summary, favoured a more open and competitive banking system—carefully and equitably regulated under uniform legislation but not bound by restrictions which impede the response of the institutions to new situations, enforce a particular pattern of narrow specialization or shelter some enterprises from competitive pressures. We believe that this framework will encourage creativity and efficiency and offer the public the widest possible range of choice of financial services, while reducing the danger of unregulated institutions springing up to serve real needs which others are prevented from meeting."

This type of view which was expressed, as I say, in the Porter report, has been supported by various spokesmen of the chartered banks. The Toronto-Dominion Bank, through their president, Mr. Allen T. Lambert, stated on page 7 of his 1964 annual report:

"—in its report the Commission—recommends the release of the forces of competition wherever possible and this it feels will encourage creativity and efficiency and will make available to the public the widest possible choice of financial services."

The quotation continues:

"The management of your bank wholeheartedly endorses this approach and supports the implementation of the commission's recommendations relating to the banking system in substantially the form in which they have been proposed."

Again in an address delivered by Mr. W. Earle McLaughlin, chairman and president of The Royal Bank of Canada, at the Canadian Club in Toronto on September 28, 1964, it was stated:

"Certainly, and especially in the enlarged competitive environment that promises to emerge from the commission's report, I can only extend to privately owned and privately managed "new banks" the welcome I have already extended to the "near banks" as full fledged members of the society of "banking institutions" with equal rights, privileges, and obligations for all."

That appears on page 8 of a printed copy of Mr. McLaughlin's speech.

In their 1965 report the Bank of Nova Scotia, through their president, Mr. William Nicks, added his comment to the situation and with particular reference to the then proposed amendments to the Bank Act states:

"Some clauses of the bill were unquestionably well conceived—including, I must admit, the easier provisions for the chartering of new banks and other proddings towards a more competitive banking system."