

Continental Bank of Canada

Standing Order 94(5) reads:

A brief explanatory note giving the reasons for any clause of an unusual nature or which differs from the model bill clauses or standard clauses shall be printed opposite the clause in the bill.

Schedule B of the Bank Act is, it would appear, such a model bill. It provides a blank form consisting of six sections, with blank spaces where the particular names and information which identify the particular bank which is seeking incorporation can be inserted.

If one looks at the bills incorporating previous banks such as, for instance, the Unity Bank in 1972, we find that they correspond to the model bill in Schedule B of the Bank Act in every particular.

Bill S-30, however, the act to incorporate the Continental Bank of Canada, differs from Schedule B of the Bank Act in several ways. It contains 24 clauses rather than six, and a good many of these clauses have the effect of giving the Continental Bank and its directors a series of exemptions for a considerable period of time from the normal provisions of the Bank Act. For instance, section 8(1) of the Bank Act reads:

The name of the bank, the additional name under which it is authorized to carry on business, the authorized capital stock of the bank, the par value of its shares, the place in Canada where its head office is to be situated and the names, addresses and occupations of the provisional directors shall be declared in the act of incorporation of the bank.

This is a reasonably clear statement of the requirements. However, when we turn to the bill in question, S-30, we find clause 2(1) states:

Subject to subsection (2), the persons who are the directors of IAC Limited on the coming into force of this act are the provisional directors of the bank, and this subsection constitutes a declaration of the names, addresses and occupations of those persons for purposes of subsection 8(1) of the Bank Act.

Nowhere do the actual names, addresses, occupations and so on appear in the bill. Does this not constitute a departure from the model bill, as discussed above? Yet we find nowhere, either in the bill as passed by the Senate or in the bill as amended in committee, any explanation for this lack of specific names, addresses, and so on. Does this not mean that the bill is an imperfect bill? Standing Order 69, which applies to private bills as well as public bills, reads:

No bill may be introduced either in blank or in an imperfect shape.

There is the question of whose responsibility it is to detect it at an early stage. In some ways there is a question of privilege involved as to whether it was raised immediately or at this point. That is why I am proceeding with this particular point.

Moreover, does not this lack of specific names and so on constitute an amendment to subsection 8(1) of the Bank Act? Standing Order 94(3) reads:

Where a private bill amends any section, subsection or paragraph of an existing Act, such section, subsection or paragraph shall be repealed in the text of the bill and re-enacted as proposed to be amended, the new matter being indicated by underlining; and the section, subsection or paragraph which is to be so repealed, or so much thereof as is essential, shall be printed in the right-hand page opposite such section, subsection or paragraph.

[Mr. Saltsman.]

Standing Order 94(4) reads:

When a private bill repeals an existing section, subsection, or other minor division of a section, that section, subsection or division, or so much thereof as is essential, shall be printed opposite the clause.

Bill S-30 does not appear to meet these requirements, either in the bill as printed in the form in which it was passed by the Senate or in the report stage version. Does this mean that it is not in proper shape to be distributed or discussed?

It should be noted that this is an extremely complex bill. The sponsor of the bill, the hon. member for Kenora-Rainey River (Mr. Reid), noted this fact in his second reading speech in the House. As well, the bill it seems will set several precedents. As Mr. Read, the superintendent of banks, noted in committee, the fact that a large finance company is now attempting to have itself converted into a bank is the result of government policy which has been encouraging competition in the banking system. This is the first instance of a functioning finance company attempting to incorporate itself as a bank, but we can expect, if Mr. Read's words mean anything, that there will be more.

Moreover, since this is the first instance of this particular type it will inevitably have an effect on future instances, and may have an effect on the Bank Act when it is revised in the near future. Since government policy seems to be encouraging this sort of conversion it would appear likely that some regular provision would appear in the new Bank Act.

Mr. Speaker: Order, please. I made some preliminary remarks. I do not want to stop the hon. member, but I really feel that his presentation ought to be abbreviated and not really direct itself to the basic argument. The simple proposition is that this bill is not in the pro forma type envisaged by the Standing Orders to which he referred. That is well known, well understood. It is not necessary to expand on that proposition. The question before us is, if that were in fact grounds to stop the bill at the proper stage, should it stop the bill now? If the hon. member has anything to add on that particular point I would be glad to hear it.

Mr. Saltsman: Mr. Speaker, I would like to add something on that particular point. Limited attention is paid to these private bills. This is probably wrong. Greater attention should be paid to them. There is a tendency not to pay too much attention to them when they are introduced. There is more than just a point of order involved. There is a question of privilege.

If a bill is introduced at some time, an hon. member may not be in his place or not aware of the bill, particularly if it is a private member's bill. Perhaps he should be, and Your Honour may rule that way. Does he then forfeit the right to call attention to an imperfect bill? We know that hon. members would be in this House on every occasion if it were possible for them to do so. But you have pointed out, Mr. Speaker, that you are not being asked to rule on whether it is imperfect or not but on whether at any point an hon. member can rise and say, "This bill is in the wrong draft and therefore I have a right to point this out and have it altered at any stage."