

Continental Bank of Canada

There is the suggestion that this might be going on in respect of this company which is receiving special exemptions under this bill in respect of the Bank Act. It is our contention that if IAC wants to convert to the continental bank, it must follow the same rules that must be followed by any other finance company that wants to become a bank, or at least wait for the revision of the Bank Act so that we can conduct a full public hearing in this chamber to make sure that the public interest is upheld.

So I strongly urge the members of this chamber to support our amendment so that this kind of special, cozy relationship will not be allowed to continue in respect of a company that is seeking to become a very powerful bank in this country. I think it is in the public interest that we have a very close scrutiny of this bill. This is why my colleague, the hon. member for Waterloo-Cambridge (Mr. Saltzman), proposed the amendment we have before us, so that the provisions of the Bank Act may be upheld and the public interest maintained. For these reasons, I cannot support the bill and urge my colleagues to accept our amendment concerning directorships.

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, this is the first time I have spoken on this matter. I believe somebody in this House should register a very strong protest against the NDP for delaying the incorporation of this bank. Surely, in this country, which has only ten banks, and of that number five are extremely large, there is room for another bank. I think the House of Commons should be the last place in which to start delaying the incorporation of a bank. When I say we have ten banks, we should bear in mind that the United States has 14,000 banks, and here we have the NDP—which likes to tout itself as the great defender of the small people, the working people and whatever they get some mileage in—standing up here defending the ten incorporated banks in this country. I think they should declare their interest. What bank are they protecting? Which banking operation today is the NDP trying to ensure will not be in competition with this new bank?

You will recall, Mr. Speaker, that the former minister of finance proposed to introduce a bill to provide for the incorporation of banks by letters patent. Personally, I am sorry the government did not have the courage to go ahead with that legislation and end this farce which periodically occurs in this House, namely, the incorporation of banks by special acts then the NDP rump group such as we have here today would not delay the incorporation of a bank which I suggest is needed in this country. Certainly, the idea that we cannot have another new bank in this nation is ridiculous.

● (1720)

Let us face it. If you analyse the arguments that are being raised by the NDP members, you find it is all fluff, it does not mean anything. Surely it is preferable, if a finance company in this country, be it IAC, Traders or a trust company, wish to incorporate in the form of a bank, that they should be encouraged, not discouraged.

Mr. A. C. Abbott (Mississauga): Mr. Speaker, I want to say very briefly that I think this is one of the first times since I have been here that I have had reason to agree with

[Mr. Symes.]

the hon. member for York-Simcoe (Mr. Stevens). I believe that we should stop to consider that IAC is seeking certain transitional provisions which at the committee stage were not regarded as unacceptable. Those that were, were amended. Having arrived at this stage, with the prospect of the transition from a finance company to a bank frustrated arbitrarily by the NDP, it does lend a great deal of credence to the comments of the hon. member for York-Simcoe.

We are not talking about a fly-by-night outfit. This is a company which was established 50 years ago. It has become the largest independent sales financing company in Canada. It has 200 branches; it has consolidated assets of almost \$2.3 million; it has a respected management and a respectable board of directors. As the hon. member said, this company comes to the House to become incorporated through a rather antique procedure. Normally, other corporations do not receive any scrutiny because they go through in a businesslike fashion. If they fail to meet the regulatory standards set out by law, they suffer the consequences.

I do not wish to take up the time of the House. I am not really prepared, because I am standing in today for the hon. member for Kenora-Rainy River (Mr. Reid). I only want to say that I think it is deplorable to see a bill of this sort, which has gone through second reading and the committee stage, being treated in this fashion. If the NDP had honestly felt strongly about these motions, surely we would have heard some of them at the committee stage. The hon. member who introduced them appeared on the last day of the committee hearings and registered one or two points at that time. Now he is using this stage to obstruct the bill in this frivolous and vexatious fashion, simply to frustrate this respectable company's attempts to become a strong member of the Canadian financial community. I think it is disgraceful and it does a disservice to parliament and to the financial community of this country.

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker—

Mr. Peters: Tell us about the little people.

Mr. Nystrom: I have decided on the contents of my speech, having listened to the hon. member for York-Simcoe (Mr. Stevens). He referred to the little people in the IAC company. I want to speak for 20 minutes this afternoon about the little people, because I think it is very pertinent to put on the record the directors of IAC and of other companies in which they are involved and because we are discussing an amendment which deals with directors. Therefore, it is very important that we talk about interlocking directorships. What are the interests of people who direct and control IAC? I want to take a few minutes to put on the record the companies of which they are directors, so that when people read the annals of this debate they will see who owns the company. When the hon. member for Sault Ste. Marie (Mr. Symes) spoke, he mentioned some of this, but I submit he just touched the tip of the gigantic iceberg.

I will start with a fellow named Lyndon E. Nichol. He is chairman of IAC, director of Merit Insurance Co., director of Niagara Finance Co. Ltd., and director of Sovereign Life