

cannot see that it is much more than cosmetic changes to Motion No. 2 put forward by the minister. The proposed changes do not really mean that much more, and like those who have spoken before me I want to repeat that there is a considerable difference between Motion No. 2 and Motion No. 3. I find it rather hard to swallow the line of reasoning put forward by the Parliamentary Secretary to the Minister of Finance (Mr. Cullen), that the directors and the regional advisory council members would be put in an economic straitjacket as far as Motion No. 3 is concerned.

Mr. Cullen: No, in so far as this bill is concerned.

Mr. Kempling: I think that is really stretching the point when you consider that the chartered banks in Canada have something like \$60 billion available to them. Do you mean to tell me that some 50 people could not go to one of the chartered banks—

Mr. Cullen: Mr. Speaker, I rise on a point of order. I know my hon. friend is not deliberately misinterpreting, but I think he may have missed my words. I intended to say that they would be put into an economic straitjacket in so far as borrowing under this bill is concerned.

Mr. Kempling: And why should they not be?

Mr. Cullen: I am just making my point. My point was not that they would not be allowed to deal with other banks and financial institutions, but I said they would be in an economic straitjacket as far as this bill was concerned. They would not be able to make a loan or borrow money from this bank.

Mr. Kempling: The parliamentary secretary's point is somewhat clarified, but they do not have to take the jobs if they do not want to, Mr. Speaker. The choice is theirs. We are not creating a special situation just for the directors and the advisory council members. I still say that the chartered banks in this country have \$60 billion to lend out, and they are quite free to go and apply for a loan from those banks if they desire. I just do not follow that line of reasoning at all.

I think the hon. member for York-Simcoe (Mr. Stevens) when he drafted Motion No. 3 was pretty straightforward and had his eyes wide open. He suggested, and I think we all generally agree, that if the minister would accept Motion No. 3, but felt that the 50 per cent as stated was too high, then it would be quite in order to reduce that. We had to strike a figure somewhere, and 50 per cent seemed like a reasonable round figure. I think we would be quite prepared to entertain the suggestion that we should reduce that to a lesser percentage.

The parliamentary secretary talked about a Watergate mentality. That is the furthest thing from our minds. We are talking about the integrity of this institution and the legislation we are passing. We had a considerable amount of difficulty, as the minister and the hon. member will appreciate, getting the proper information before the committee in order to make a thorough examination of the legislation.

I am inclined to agree with the hon. member for Winnipeg North Centre (Mr. Knowles) when he said these are really two separate issues. I certainly hope the Speaker

Federal Business Development Bank Act

will take notice of this and reconsider the matter in order that we might consider Motions Nos. 2 and 3 separately. When the Chair suggested that both motions should be considered at the same time I wonder if Mr. Speaker really understood the intent of Motion No. 3, because although they cover the same general area they are quite different in their approach.

I have not heard the minister, or any of the members on the other side explain why they think a director or a regional advisory councillor should be allowed to get a loan from this bank. As I understand the situation now, directors are not allowed to borrow from their banks.

The hon. member for Gatineau made some reference to the fact that directors of private banks or chartered banks could make loans from those banks but, as he well knows, this is covered by the bylaws of the banks. Just as with any corporation, they have bylaws that restrict the boards of directors.

I have not heard any argument or rhetoric from the other side which convinces me that the director or the regional advisory councillors should be allowed to borrow from this bank. What the bill and the minister's amendment say is that we are making loans available to them, and we have not heard why that should be so.

Surely to goodness we can find 200 people across this country who could be directors and regional advisory council members who do not require assistance from a Federal Business Development Bank. If they or any members of their families happen to be shareholders in a corporation we are not preventing them from borrowing from a bank, and I have not heard anyone on that side explain why these people should be allowed to borrow from this bank.

When I first read the bill this matter jumped right out at me. This hit me as something that should not be allowed. After all, the confidence and the integrity of the Federal Business Development Bank is most important, so far as I am concerned, and any suggestion that would erode its integrity, by insinuation that someone has an inside track that someone else does not have, I think would be very detrimental. I should like to hear one of the hon. members opposite explain why he thinks a director or regional advisory council member should have the right to borrow from a bank.

● (2040)

The Acting Speaker (Mr. Penner): Is the House ready for the question?

Some hon. Members: Question.

The Acting Speaker (Mr. Penner): The question is on the amendment in the name of the hon. member for Gatineau. Is it the pleasure of the House to adopt the said amendment?

Mr. Stevens: I rise on a point of order, Mr. Speaker. I would appreciate it if the point raised originally by my colleague, the hon. member for Winnipeg North Centre (Mr. Knowles), could be dealt with. I take it from your present proposal in voting on motion No. 2—