

Bank Act

Association and to amend other acts in consequence thereof, be amended in clause 2 by striking out line 36 at page 101 and substituting the following therefor:

"exceeds two per cent of the issued and"

The Acting Speaker (Mr. Blaker): Is it the pleasure of the House to adopt the said motion?

Some hon. Members: Agreed.

Some hon. Members: No.

The Acting Speaker (Mr. Blaker): All those in favour of the said motion will please say yea.

Some hon. Members: Yea!

The Acting Speaker (Mr. Blaker): All those opposed will please say nay.

Some hon. Members: Nay!

The Acting Speaker (Mr. Blaker): In my opinion, the nays have it.

Mr. Knowles: On division.

The Acting Speaker (Mr. Blaker): I declare the motion negated on division.

Motion No. 18 (Mr. Rae) negated.

The Acting Speaker (Mr. Blaker): The House will now proceed to motions numbered 17, 52, 55 and 59, all in the name of the Minister of State for Finance (Mr. Bussières) which can be grouped for debate but voted on separately.

[*Translation*]

Hon. Pierre Bussières (Minister of State, Finance) moved:

Motion No. 17

That Bill C-6, an act to revise the Bank Act, to amend the Quebec Savings Banks Act and the Bank of Canada Act, to establish the Canadian Payments Association and to amend other acts in consequence thereof, be amended in clause 2 by adding immediately after line 9 at page 101 the following:

"110.1(1) Subject to this section, no person shall

(a) hold or beneficially own shares of a class of shares of a bank if the total number of shares of that class held or beneficially owned by such person and by other persons associated with him, if any, is more than ten per cent of the total number of the issued and outstanding shares of that class; or

(b) purchase or otherwise acquire shares of a class of shares of a bank if the total number of such shares together with the total number of shares of that class held or beneficially owned by such person and by other persons associated with him, if any, would exceed ten per cent of the total number of the issued and outstanding shares of that class.

(2) A person who, on the day this section comes into force, holds or beneficially owns shares that, but for this subsection, would be held or beneficially owned in contravention of paragraph (1)(a), may continue to do so for a period of five years after the coming into force of this section.

(3) Subsection (1) does not apply in respect of any shares of a foreign bank subsidiary that are held, beneficially owned, purchased or acquired by a foreign bank.

(4) Subsection (1) does not apply in respect of any shares of a bank, other than a foreign bank subsidiary, purchased or acquired by a person pursuant to section 114 or held or beneficially owned by such person as a result of any

such purchase or acquisition until the date that is ten years after the day of such purchase or acquisition.

(5) The Inspector may from time to time, in writing, direct a bank to obtain from any person in whose name a share of the bank is held or beneficially owned a declaration containing information

(a) concerning the ownership or beneficial ownership of such share,

(b) whether such share is held or beneficially owned by a person who is associated with any other person and the name of that other person where applicable, and

(c) concerning such other related matters as are specified by the Inspector, and as soon as possible after the receipt of a direction from the Inspector under this subsection, the directors of the bank shall comply therewith and every person who is requested by the bank to provide a declaration containing information referred to in this subsection shall forthwith comply with the request.

(6) Where, in the opinion of the minister, a person holds or beneficially owns shares of a bank in contravention of subsection (1), the minister may, by order, require the person or other persons associated with him, or both, to divest himself or themselves of such number of those shares as is specified in the order within such time not exceeding two years from the date of the order as is specified in the order and in such proportion if any, as, between the person and those other persons, is specified in the order and the person and those other persons shall comply with such order.

(7) For the purposes of this section, a person is deemed to be associated with another person if there exists between those persons any relationship referred to in subsection 109(2) that, if both such persons were shareholders, would cause those shareholders to be deemed to be associated pursuant to that subsection."

Hon. Pierre Bussières (Minister of State, Finance) moved:
Motion No. 52

That Bill C-6, an act to revise the Bank Act, to amend the Quebec Savings Banks Act and the Bank of Canada Act, to establish the Canadian Payments Association and to amend other acts in consequence thereof, be amended in clause 2 by striking out line 1 at page 315 and substituting the following therefor:

"(2) Notwithstanding subsection 1101(1) and paragraph (1)(a) of this section,"

Hon. Pierre Bussières (Minister of State, Finance) moved:
Motion No. 55

That Bill C-6, an act to revise the Bank Act, to amend the Quebec Savings Banks Act and the Bank of Canada Act, to establish the Canadian Payments Association and to amend other acts in consequence thereof, be amended in clause 18 by adding immediately after line 15 at page 373 the following:

"(6) Section 46 of the said act is further amended by adding thereto the following subsections:

"(8) Subject to this section, no person shall

(a) hold or beneficially own shares of a class of shares of the bank if the total number of shares of that class held or beneficially owned by such person and by other persons associated with him if any, is more than ten per cent of the total number of the issued and outstanding shares of that class; or

(b) purchase or otherwise acquire shares of a class of shares of the bank if the total number of such shares together with the total number of shares of that class held or beneficially owned by such person and by other persons associated with him, if any, would exceed ten per cent of the total number of the issued and outstanding shares of that class.

(9) A person who, on the day this subsection comes into force, holds or beneficially owns shares that, but for this subsection, would be held or beneficially owned in contravention of paragraph (8)(a), may continue to do so for a period of five years after the coming into force of this subsection.

(10) Notwithstanding subsection 47(2), a person who, on the day this subsection comes into force, holds or beneficially owns shares of a class of