

the gap. That was brought out by the Inspector General of Banks very clearly. Therefore, the Inspector General of Banks is greatly in favour of this new system. The banks are going to be allowed to have more than 10 per cent of their deposits and so on in mortgages, an amount they have never exceeded up to now.

If they want to go into the mortgage field and occupy that portion vacated by the life insurance companies, they are going to have to form subsidiary companies. Why would this have anything to do with the liquidity of the banks? If the banks are going to put their money into something like that, who is going to say it will hurt their liquidity? The banks are going to be run as they have always been run, and they will have 10 per cent of their assets in mortgages, and no more. If they want to go into something else, then they will have to raise the capital outside of their assets, and then set up companies which will come under the Loan Companies Act. So this has nothing to do with the liquidity of the banks.

● (1630)

Honourable senators, I did have another point I wanted to make, but, as it escapes me at the moment, I will close my remarks now.

**Senator McIlraith:** Honourable senators, I notice that this inquiry stands in the name of the Honourable Senator Hayden. As he is not here at the moment I would ask permission either to adjourn the debate in his name or to adjourn it in my own name with the intention of giving him the right to speak in my place when the matter next comes before the Senate.

**The Hon. the Speaker:** It is moved by the Honourable Senator McIlraith, P.C., seconded by the Honourable Senator Connolly, P.C., that further debate on this inquiry be adjourned to the next sitting of the Senate. Is it your pleasure, honourable senators, to adopt the motion?

**Hon. Senators:** Agreed.

On motion of Senator McIlraith, debate adjourned.

## THE CONSTITUTION

### MOTION FOR APPOINTMENT OF SPECIAL COMMITTEE—DEBATE ADJOURNED

**Senator Stanbury,** pursuant to notice of Tuesday, December 11, 1979, moved:

That a special committee of the Senate, to be known as the Special Committee of the Senate on the Constitution, be appointed to consider and report upon the subject matter of Bill C-60, intitled: "An Act to amend the Constitution of Canada with respect to matters coming within the legislative authority of the Parliament of Canada, and to approve and authorize the taking of measures necessary for the amendment of the Constitution with respect to certain other matters", of the Third Session of the Thirtieth Parliament, or any matter relating thereto;

That the Committee have power to engage the services of such counsel, technical advisers and staff and to incur such special expenses as may be necessary for the purpose of the inquiry;

That the Committee have power to send for persons, papers and records, to examine witnesses, to print such papers and evidence from day to day as may be ordered by the Committee and to sit during adjournments of the Senate; and

That the papers and evidence received and taken on the subject in the Third and Fourth Sessions of the Thirtieth Parliament be referred to the Committee.

He said: Honourable senators, I have just a few remarks to make, if I am permitted.

Before proceeding with my remarks perhaps I may extend a belated welcome to our colleagues who have joined us in this chamber since the opening of the Thirty-first Parliament. There is a veritable army of them, and I am pleased to see that one of the problems of the Senate, which was discussed at length by the Special Senate Committee on the Constitution in the last Parliament, has been substantially redressed. We were worried about there being too few people in the opposition. For the time being that need not be a concern.

I also congratulate our long-time and highly respected colleagues, Senator Flynn and Senator Asselin, as well as our new colleague, Senator de Cotret, upon their elevation to cabinet rank. I appreciate that during Question Period that may seem to be a mixed blessing, but I am sure that it is an experience which any one of us would enjoy, and I wish them well in their endeavours on behalf of our country.

I am sure that the wording of the motion that I have just moved has caused some confusion in the minds of honourable senators, since the necessary legal form of it requires us to refer back to events and proposed legislation in the Thirtieth Parliament. I hasten to assure honourable senators that there is no intention of reviving Bill C-60; and, indeed, it is not the expectation that the committee will, at least immediately, enter into the massive task of revising the Constitution of Canada.

The committee was established initially by the Senate for the purpose of studying the subject matter of Bill C-60 of the Thirtieth Parliament, and the committee proceeded to do just that. Its first report was tabled in the Senate on Thursday, October 19, 1978, and it dealt extensively with the subject matter of that bill.

During the lengthy hearings leading up to the tabling of that report the committee became increasingly aware of a great vacuum of understanding of the role of the Senate on the part of the public, academics and even legislators at the federal and provincial levels. The committee was also well aware that there were undoubtedly measures which might be taken to increase the effectiveness of the Senate.

As a result the committee was reconstituted in the Fourth Session of the Thirtieth Parliament and accepted as its priority task a study of the Senate itself, its structure, its membership,