

Honourable senators, for these and other reasons it is my view that before a bill in regard to this subject matter is presented in the House of Commons, the whole matter should be thoroughly studied in one of the ways I have suggested. Any other course will, in my opinion, project this Government into a controversy, constitutional, financial and budgetary, the result of which no one can foresee today.

The former "60 days of decision" surely brought enough humiliation to the Government of the day. I would like to give it this mild warning of more trouble to come and on a much vaster scale if it now proceeds to make this misnamed Canada Pension Plan a political football, instead of following precedent and allowing a thorough, nonpolitical and expert approach to be addressed to this vast and important problem.

Hon. Mr. Croll: May I ask the honourable gentleman one question? In the course of his speech he indicated that the first step was taken when the Government Annuities Act was passed in 1908, and the second was in 1927 when we passed the pension plan. Is the honourable gentleman aware that Quebec opted out of that pension plan and only joined it in 1936?

Hon. Mr. Thorvaldson: Yes, but the pension plan was not nearly of the magnitude of this scheme.

On motion of Hon. Mr. Vaillancourt, debate adjourned.

PRIVATE BILL

BANK OF WESTERN CANADA—SECOND READING—DEBATE ADJOURNED

Hon. T. D'Arcy Leonard moved the second reading of Bill S-6, to incorporate Bank of Western Canada.

He said: Honourable senators, I am sure you are all interested in the subject matter of Bill S-6, namely the incorporation of a new bank in Canada. This is the first application for a bank charter since 1953, when a charter was granted to The Mercantile Bank of Canada. At that time, including The Mercantile Bank of Canada, there were 11 chartered banks. Now there are eight such banks, so that even with the granting of this charter there will be two fewer banks than there were in 1954.

Of course the bill is of special interest to those senators from west of the Great Lakes, because the title of the bank is to be "Bank of Western Canada", and its head office will be in Winnipeg.

On second reading of a bill, it is the principle of the bill with which the Senate is concerned. This is a private bill, and Parliament has already prescribed the principle or

principles governing the incorporation of a new bank. It has done so in the Bank Act, the citation of which is chapter 48 of the Statutes of Canada 1953-54. That act sets out what is required in order to start a new bank.

The petitioners here must comply with those requirements, and if they have done so, then I suggest we can approve the bill in principle, and send it on to committee where witnesses can be heard and the proposed operations of the bank can be studied in detail.

While the bill before us is comparatively short and simple, it must be read in conjunction with the Bank Act because it is in that act that we find Parliament has set up the code, the rules, as it were, for the incorporation of a bank.

Honourable senators do not have the Bank Act before them, but I have it here and I shall endeavour to quote to you the relevant sections of that act.

First of all I call your attention to the fact that Schedule B of the Bank Act sets out the form for an act of incorporation of a bank. This is a very short and simple form. It has five sections only, and in those sections the following information only is required: first, the names of the petitioners; second, the names of the provisional directors; third, the amount of capital stock; fourth, the place of the head office, and fifth, a section adding the name of the new bank to the list of banks in Schedule A of the Bank Act. That is the form of act prescribed by the Bank Act for the incorporation of a new bank.

Honourable senators will notice that clauses 1, 2, 3, 4 and 6 of this bill follow the prescribed form and comply with the terms of the model act. The bill before us has two other clauses, being 5 and 7, which I shall deal with a little later in my remarks.

The reason an act to incorporate a bank can be so simple is that the real charter of a bank is the Bank Act itself. In effect, Parliament has said: You may incorporate in this comparatively simple fashion, but once you have incorporated you come under all the conditions, restrictions and limitations imposed by the Bank Act, and you acquire the powers and privileges conferred by that act.

Section 5 of the Bank Act provides:

Each bank enumerated in Schedule A is a body politic and corporate and this Act is its charter.

In other words, it makes it perfectly clear that the Bank Act is the charter of the bank.

Section 9 of the Bank Act is as follows:

Except as provided in this Act, an Act of incorporation of a bank in the form set forth in Schedule B shall be construed to confer upon the bank thereby incorporated all the powers, privileges and