

Mr. COYNE: Of course, you have to make a start. I would hate to think that you may refuse to start one because you do not know how many applications you may get from subsequent applicants.

Mr. LEWIS: Nor would I. Now, my final question: A large number of other financial institutions have done banking business and are doing banking business, are they not?

● (11: 50 a.m.)

Mr. COYNE: Well, a semi-banking business called near banks. The Porter commission called them banking institutions but I do not think the chartered banks like that description very much.

Mr. LEWIS: Well, the fact is that they do give checking privileges.

Mr. COYNE: Yes. A trust company and certain other companies, not loan companies or mortgage companies, have deposit accounts with checking privileges.

Mr. LEWIS: And, is the business of these near banks very considerable in western Canada, and is it growing?

Mr. COYNE: Undoubtedly it is growing, but I doubt whether there has been as much development as in Ontario. I am not too familiar with the eastern part of the country, but I think probably Ontario has had a bigger development of that sort than any other part of Canada.

Mr. LEWIS: With regard to this idea of there being room for more banks should one take into account the operations of these near banks as well?

Mr. COYNE: Well, they are not banks; they are under a different statute and they do not have the powers, some of the facilities or recourse of banks as such.

Mr. LEWIS: What would they lack, not as far as the problem we would be concerned with, namely the size of the over-all lending or deposit institutions, but what would the near banks lack that banks have.

Mr. COYNE: Before dealing with that, if it is germane, may I say that I am not suggesting there is a lack of facilities in western Canada or anywhere else; all I am saying is that it is right people who want to add to these facilities on competitive basis should be encouraged to do so.

Mr. LEWIS: Well, I am seeking certain information from you as a man with a great deal of banking experience. If the country is being served and served well and adequately why is it that some of you want to get into a business which you feel is profitable, not from the social point of view? Is it necessary for me as a member of the Canadian Parliament to support an application for a new bank? What will Canada get out of it—and I am not saying this in any personal sense—as distinct from Mr. Stevens and his associates.

Mr. COYNE: I do not say that banking is much different from other forms of businesses; of course, it has its own characteristics. But, my feeling is that it is a good thing to have fairly open access on the part of any person in Canada to any line of economic endeavour he wants to go into, and over the long run this will be good for the economy of the country as a whole by livening it up and bringing in new ideas and initiatives, as well as helping to decentralize decisions instead of taking everything right from the one place.

Mr. GRÉGOIRE: Mr. Chairman, I have a supplementary question.