

THE SENATE

Wednesday, November 26, 1980

The Senate met at 2 p.m., the Speaker in the Chair.

Prayers.

THE CONSTITUTION

SPECIAL JOINT COMMITTEE—CHANGE IN COMMONS
MEMBERSHIP

The **Hon. the Speaker** informed the Senate that a message had been received from the House of Commons to acquaint the Senate that the names of Messrs. Henderson, Epp, La Salle, Dinsdale, Baker (Gander-Twillingate), Halliday, Lang, Young, Smith, Irwin, Corbin, Lapierre, Beatty, Nielsen, Nickerson, Ittinuar, Flis, Taylor, McGrath, Gimaiel, Lapierre, Miss Carney and Mr. Fraser had been substituted for those of Messrs. Harquail, Thacker, Speyer, Beatty, Lapierre, McCain, Irwin, Robinson (Burnaby), Corbin, Lang, Smith, Baker (Gander-Twillingate), Dinsdale, Halliday, La Salle, Young, Lapierre, Nielsen, Nickerson, Flis, Henderson, Fraser and Epp on the list of members appointed to serve on the Special Joint Committee on the Constitution of Canada.

BANKS AND BANKING LAW REVISION BILL, 1980

REPORT OF COMMITTEE

Hon. Salter A. Hayden, Chairman of the Standing Senate Committee on Banking, Trade and Commerce, presented the following report:

Tuesday, November 25, 1980

The Standing Senate Committee on Banking, Trade and Commerce to which was referred Bill C-6 intitled: "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", cited as the "Banks and Banking Law Revision Act, 1980", has, in obedience to the order of reference of Monday, November 24, 1980, examined the said bill.

In view of the statements given by the minister to the committee with respect to its concerns as outlined in its report on the subject matter of the said bill, tabled in the Senate on the 24th day of November 1980, relating to *Prepayment of Consumer Loans, Ownership of Bank Shares by Provincial Governments and Extension of Exemption from Section 88 Security to Agricultural Products*, in particular, to the effect that he would review such concerns and if he and his officials determined that they were well founded he would propose amendments to the bill to accommodate them; and further, in view of the minister's statement with respect to *Reserves on Foreign*

Currency Deposits to the effect that if, after an appropriate period of time and study, the Governor of the Bank of Canada and the Inspector General of Banks report to the minister that the effects anticipated in your committee's report, for the reasons therein outlined, have indeed occurred, then he will propose an amendment to the bill designed to eliminate or minimize such effects, your committee is pleased to recommend to the Senate that the bill be favourably considered, without amendment.

Respectfully submitted,

Salter A. Hayden
Chairman

THIRD READING

The Hon. the Speaker: Honourable senators, when shall this bill be read the third time?

Hon. Salter A. Hayden: Honourable senators, with leave of the Senate, and notwithstanding rule 45(1)(b), I move that the bill be read the third time now.

The Hon. the Speaker: Is leave granted, honourable senators?

Hon. Senators: Agreed.

Senator Asselin: Explain.

Senator Hayden: Honourable senators, if I might, I should like to add a few words of explanation.

I think first I should tell you, in connection with the contribution by your Senate committee, at the various stages when the bill in various forms came before it, the committee projected recommendations which from time to time were reflected in a succession of banking bills, the sum total of which will amount to 70 to 75 amendments, starting with the white paper.

Several new subject matters have been incorporated in the present bill, Bill C-6. In respect of one, the letters patent method of incorporation of banks, where this was disclosed in the white paper, the committee took the position that there would not necessarily be available the opportunities to ascertain all the particulars with respect to incorporation, opportunities that would be available if the old procedures applied, namely, a special act of Parliament.

● (1405)

Therefore, we recommended in our report on the white paper that there be a public review provided for. We waded through Bill C-15, Bill C-14, and Bill C-6 and discovered nothing which could deal with that situation. But hope springs eternal, and in the Commons committee a motion was made