

Privilege—Mr. Cassidy

I intend to raise this issue with the Committee on Privileges and Elections because I think it raises very serious questions about information which Members of the House of Commons had on which to make a decision on that Bill.

At the request of the Government the Opposition Parties agreed that that Bill would be passed in two days, and an order of the House was given unanimous consent which effected a deadline for the passage of that Bill, whether or not we were satisfied with the information made available.

In the House the Minister of State repeatedly insisted that this was basically a private deal, that the Government was simply passing a Bill to facilitate the sale. He stated: "It was not the Government that was involved in these discussions. It was the Canada Deposit Insurance Corporation". He called it "a private transaction". He said that the CDIC was making "some prudential decisions relative to the bank". He suggested that certain questions which we had should be put before the Canada Deposit Insurance Corporation, the British Columbia Government or the Bank of British Columbia which, of course, was not open to us because of the limited time to which we had agreed. He referred to this as a private transaction. When asked directly for an estimate of the losses if the bank had been liquidated he stated: "No one knows that", and did not respond to questions about how much the potential loss had been calculated to be.

I am raising this question of privilege because I read in *The Globe and Mail* the next day a detailed report of answers to many of the questions I and other Members of the House of Commons had put in this House to which we had been unable to get satisfactory answers during committee stage the previous day. At the very time that we were raising questions with the Minister of State for Finance substantial answers to those questions were being given to the Senate Banking Committee. I have been unable as yet to get a transcript of that committee hearing, although I requested it last Friday, but according to press accounts the Department of Finance was aware as long ago as October of 1985 that there were a significant number of problem loans in this particular bank.

The information we had, which was public, was that the bank was deemed to be sound at that time. While we were told that the Finance Department of the Government was a facilitator of this issue, the Senate was being told that the six chartered bank presidents had been called to a secret meeting with the Governor of the Bank of Canada, of which the Department of Finance was surely aware, and that the Department of Finance had been involved in two frantic weeks of negotiations and work in British Columbia in order to pull the deal together. While we were denied any detailed report on the bank's financial situation, the Canada Deposit Insurance Corporation was giving an estimate, again of which the Government was surely aware, that the losses would have been \$600 million had liquidation gone forward.

• (1520)

We sought documentation with respect to the Government's judgment that the Hongkong Bank was the best and only deal. Information was promised privately but was not forthcoming in any way, yet the evidence reported in the press indicates that that information does exist and portions of it were put to the Senate Banking Committee while we were here in Committee of the Whole being stonewalled by the Minister of State for Finance.

We asked about the information the Government had and we were not informed that there were at least three further inspections by the Inspector General of Banks between October, 1985 and the time that the Hongkong Bank transaction was finally underway. We asked in the House when the Government learned that the Bank of British Columbia was not sound. The Minister of State for Finance made no mention of misgivings that arose in 1985 or of those three further inspections, nor of the meeting with the six chartered bank presidents.

If this Bill had come forward in the normal course of events and had taken several weeks or months to work its way through the House, it would have been at least possible for the Opposition Parties to have sought some of that information from the street, from relevant parties and so on. We did not have the time to do so. We acted in good faith in accepting the Government's request that the Bill be adopted at the earliest opportunity. I do not believe that we were treated in good faith, when information was being given to the Senate that was being denied to us both in response to private requests and in response to questions in the House of Commons.

I point out that in its message back to the House, as appears in *Votes and Proceedings* for November 27, the Senate reported that the Committee's examination left partly unanswered the question of why the shareholders of the Bank of British Columbia are to receive \$63.5 million plus additional recoveries which may raise the total compensation to nearly \$100 million, when the Bank of British Columbia, as evidenced by the CDIC advance to its purchaser, was not viable. That question was very much on our minds, but we were given very vague and general answers.

I suggest that if the Government is asking Members on all sides of the House to co-operate on a matter of urgency, it has an obligation to share all the available and relevant information. That was not done in this case. Had this Bill gone forward in the normal way, it is the right of the Government under our parliamentary system—deplorably so—to refuse to impart that information. However, if it seeks special co-operation from the Opposition Parties I think it has a special responsibility to be fully co-operative. It was not in this particular case.

That is why I believe this matter should be referred to the Committee on Privileges and Elections. I intend to bring it before that committee and I would seek your co-operation, Mr. Speaker, in supporting a referral of the matter to the Standing