

opportunity to get them all out before Mr. Speaker asked him to sit down.

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RAILWAYS

NEWFOUNDLAND RAILWAY—FEDERAL-PROVINCIAL DISCUSSIONS

Mr. Brian Tobin (Humber-Port au Port-St. Barbe): Mr. Speaker, my question is directed to the Minister of Transport and concerns the future of Terratransport, the Newfoundland Railway, and the approximately 1,000 people who depend upon that railway in the Province of Newfoundland. Can the Minister tell the House whether or not the federal Government has taken a decision with respect to its future commitment to the Newfoundland Railway and can he tell us as well whether or not, after approximately six months of negotiations with the Province of Newfoundland, the federal Government is now prepared to commit the funds necessary to modernize that railway so that it may continue its operations?

Hon. Don Mazankowski (Minister of Transport): Mr. Speaker, I am sure the Hon. Member knows that the last five-year agreement respecting the Newfoundland Railway was put together by this Government when it was in office in 1979. The agreement has expired and there are negotiations and discussions taking place with the province. I will be meeting with representatives of the province next week and I will be visiting Newfoundland later next week.

FUTURE OF RAILWAY

Mr. Brian Tobin (Humber-Port au Port-St. Barbe): Mr. Speaker, the Minister knows that rumours are running rampant in Newfoundland that the railway is going to be shut down by hook or by crook. Is the Minister now prepared to make a commitment in this House that the Government of Canada, in conjunction with the Government of Newfoundland, will not pursue a course of action that will cause either the immediate shutdown of the Newfoundland Railway or the strangulation of the railway over the next year or two because of the pricing practices that are currently going on in that railway? Is the Minister prepared to tell the 1,000 employees today that their jobs are safe and that they will have them five years from now?

Hon. Don Mazankowski (Minister of Transport): Mr. Speaker, most of the rumour, innuendo and fear was started by that Member.

Some Hon. Members: Hear, hear!

Mr. Mazankowski: Most of it bears no resemblance to fact and has no foundation. The Government does not move unilaterally. It will discuss with the province the future of transportation in the Province of Newfoundland in its global context. There are more issues that need to be addressed than simply

Oral Questions

the railway. There is the issue of roads and ferry services as well. We are going to be discussing this with the province next week. When a decision is reached, I am sure that I will be very pleased to let the Hon. Member know about it.

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BANKS AND BANKING

CANADIAN COMMERCIAL BANK COLLAPSE—ROLE OF CHARTERED BANKS

Mr. Mike Cassidy (Ottawa Centre): Mr. Speaker, I have a question for the Minister of State for Finance arising out of the failure of the Canadian Commercial Bank and the billion dollar bail-out for which she is responsible. Can the Minister say, now that we have established that chartered banks which were part of the rescue effort back in March began soon after to withdraw their deposits, when she became aware that the chartered banks that were meant to help save the Canadian Commercial Bank were in fact working to scuttle it?

Hon. Barbara McDougall (Minister of State (Finance)): Mr. Speaker, we were aware during the spring of many of the activities in the Canadian Commercial Bank. There were many depositors who withdrew their deposits at that time. They had every right to do so, no matter whether they were a chartered bank, a union or anything else. The depositors that remained, including a major Canadian cultural organization and a major Canadian union, are the organizations we are looking after.

● (1450)

INSPECTOR'S DISCUSSIONS WITH CHARTERED BANKS

Mr. Mike Cassidy (Ottawa Centre): Mr. Speaker, the Inspector General of Banks indicated to the committee yesterday that he had confidential discussions with the chartered bank presidents, or with their officers, about the condition of the Canadian Commercial Bank. Will the Minister agree, therefore, that the banks were working on the basis of that confidential information as well? Why should the banks be privileged to get their deposits out when other depositors did not have that type of information on which to act?

Hon. Barbara McDougall (Minister of State (Finance)): Mr. Speaker, that is exactly what a parliamentary inquiry is all about.

Some Hon. Members: Oh, oh!

Mrs. McDougall: That is why I have asked the House for a parliamentary inquiry. I hope it will be conducted in a spirit which will help us create a better environment in the future with respect to our financial institutions.