

Adjournment Debate

In the last few days a conference sponsored by student foresters was held at Lakehead University. It focused in on these matters. There is very great reason to be concerned about what the U.S. Congress may yet do. Informal discussions have been under way in San Diego over the last few days to try to ensure that the U.S. Government becomes sensitive to all aspects of the question. However, it seems to me that we face a threat in Congress which could end half a century of reasonably happy trade relations between Canada and the U.S.

● (1805)

In 1935 the Canadian Government was able to sign a freer trade agreement with the U.S. administration. That was a very happy development. Later we saw it develop into the General Agreement on Tariffs and Trade, GATT, which has been so important. What Representative Sam Gibbons is proposing in his Bill would have the effect of devastating the industry. That Bill may yet come to a vote in Congress, and, if it has the kind of support this winter or spring that it seemed to have last summer, it would be veto-proof. This would end an era of happy relations. It would be in complete contradiction of the freer trade developments which the Government has encouraged and which it seeks to pursue with the U.S. Therefore I say to a Government which did not take seriously enough the danger in quotas on fish and pork, that it is absolutely imperative that it respond to this threat and ensure that our softwood lumber industry is not devastated as it could be.

Mr. Chuck Cook (Parliamentary Secretary to Secretary of State for External Affairs): Mr. Speaker, there are times when Opposition Members do themselves, their ridings and their country no good in what they advocate. The Hon. Member for Thunder Bay-Nipigon (Mr. Epp) must remember that every opponent of Canadian lumber going to the U.S. will listen to his words with care.

With respect to the question of export restraint, there has been no proposal from the U.S. administration that Canada restrain its exports to the U.S. Furthermore, the administration continues to take a firm stand with Congress in rejecting any linkage of the lumber issue with the trade talks. Both the Canadian and U.S. Governments agree completely that the lumber issue should be addressed on its merits.

To that end, in the context of ongoing consultations, Canadian and U.S. officials met in San Diego, as the Hon. Member mentioned, on January 20 to examine and review issues related to our bilateral trade in lumber. Views were exchanged on production and consumption trends, forest management policies in both countries, as well as prospects for increased market opportunities in third countries. It was agreed to schedule another session in this series of discussions to consider questions raised by both sides. Arrangements for the next meeting are in the process of being confirmed. This has been the case from the beginning.

The Canadian Government continues to work very closely and co-operatively with the provinces and Canadian industry.

Therefore, I suggest to the Hon. Member that he had better have another talk with the Hon. Member for Skeena (Mr. Fulton) and realize that he is not serving his country well with this kind of question.

BANKS AND BANKING—CANADIAN COMMERCIAL BANK—
GOVERNMENT'S INFORMATION IN MARCH. (B) RANGE OF
INFORMATION

Miss Aileen Nicholson (Trinity): Mr. Speaker, last fall, in the wake of the failure of the Canadian Commercial Bank, I asked many questions of the Minister of State for Finance (Mrs. McDougall). In March, 1985, the Government had taken unprecedented action when it committed millions of dollars in taxpayers' money to bail out this bank. When that same bank went into liquidation so soon afterwards we in the Official Opposition raised again the same questions we had asked in March which the Government had not answered. By then it would have seemed it was more important than ever that we should have some answers to the very reasonable factual questions we were asking.

The fundamental question is: What information did the Government have when it decided to bail out the Canadian Commercial Bank? Despite all the questions asked of the Government in the House and in committee we were given just one response: The Government acted on the best information available. Not only is this an inadequate answer to the many specific questions I have raised on the subject, it is also less than accurate.

● (1810)

On September 26, for example, I asked the Minister of State for Finance if the group negotiating the CCB bail-out had considered the opinions of the bank's external auditors and the minutes of the CCB's internal audit committee. The Minister did not answer the question, and in my supplementary I asked for a specific response which, again, I did not get.

The bank's external auditors, in their appearances before the House of Commons Finance Committee and the Senate Banking Committee in October, said that they were not involved in any aspects of the design or evaluation of the March, 1985, support package. So there is the answer to my question in the testimony of witnesses over a month after I asked it of the Minister in the House.

After saying repeatedly that the whole matter of the banks failures would go to a parliamentary committee for in-depth study, the Prime Minister (Mr. Mulroney) instead appointed a commission of inquiry headed by the eminent Justice Willard Estey. While I look forward to seeing his report, I do not see that the existence of a non-parliamentary inquiry justifies the Government in its continued evasion of legitimate questions about the actions it took in bailing out the Canadian Commercial Bank.

Let us not forget that, after taking a purely political decision to bail out the bank without any recourse to facts that might have got in the way of that decision, the Government went on