

started at the height of an optimistic period of economic growth, and the fact that the National Energy Program helped to bring about their demise. We weighed very carefully the impact on confidence in other financial institutions and on the economy if depositors in these two banks were to absorb their losses.

Depositors include municipal Governments, credit unions and labour unions. I am surprised at the disloyalty of members of the NDP to the labour unions which were very involved with these banks. Depositors also included religious organizations, charitable organizations, and cultural institutions representing thousands of individual Canadians as well as hundreds of small businesses. The municipalities involved have suffered terribly from the delay in the passage of this Bill. It is costing the City of Kanata, which is very near to this Parliament, \$2,600 a day in lost interest while we sit around and deliberate on a Bill, the purpose and objective of which should be clear to everybody.

Mr. Cassidy: It's been sitting on the Order Paper for weeks.

Mrs. McDougall: In light of these circumstances, Mr. Speaker, compensation to these depositors was a most appropriate action and demonstrates the Government's sensitivity to the needs of the regions of the country, its municipalities, its individuals, farmers, small businesses, and people who saved their money and made a commitment to regional institutions and to Canada. By compensating these uninsured depositors the Government is acting to minimize the devastating impact on those savers and on that economy which this loss of savings would produce.

Nevertheless, Mr. Speaker, compensation is not to be 100 cents on the dollar. The first payment will be made on Royal Assent being given to this Bill and the second will be delayed until April, 1986, and no interest will be paid after September 1, 1985. It is not the Government's intention to set a precedent in compensating uninsured depositors. I might say that that precedent was set when the Home Bank failed and the Liberal Government paid uninsured depositors in 1923.

Over the past weeks I have dealt at length with the concern over the need of the Opposition to know the names of those being compensated through this Bill. I have spoken, and I believe strongly, of the right of depositors to privacy, of the responsibility of the Government to protect this privacy, and of the necessity for the Government to abide by the laws which prohibit the publication of this information.

In the House last winter when we were talking about compensating the uninsured depositors of Pioneer Trust, which we were urged to do by the New Democratic Party, and which we did in limited circumstances because of our sensitivity to that situation, not one single member of the New Democratic Party raised the issue of the names of the uninsured depositors. The names of the uninsured depositors of the Home Bank were also never made public.

Mr. Cassidy: The Home Bank?

Depositors Compensation

Mrs. McDougall: Those uninsured depositors were paid by that Party. The precedent was set in 1923. To violate the confidentiality of the Bank Act would, I believe very strongly, violate these responsibilities and imperil all depositors in the future.

I have tabled a detailed breakdown of the classification of uninsured depositors which should meet all reasonable requirements for information without violating this aspect of confidentiality. The public interest is not served by any further disclosure. Quite the contrary, Mr. Speaker, the public interest would be violated by any further disclosure. I might say, as well, that after 40 years of total inaction the Government has taken a great many actions to improve the financial institution sector of our economy.

On November 27, 1985, we tabled Bill C-86 to increase premiums and reduce the deficit in the Canada Deposit Insurance Corporation. Through that Bill we increased the members of the board of directors by four. As well, Mr. Speaker, we tabled draft legislation on November 27 to give our regulators the power to issue cease and desist orders. It will give the Minister power to block mergers and acquisitions. It will give regulators the power to establish realistic market values on real estate held by financial institutions. We are proceeding with a private sector study of the Office of the Inspector General's mandate and operations, a study undertaken by Coopers and Lybrand. Through the inquiry by Mr. Justice Estey we have undertaken to detail all the facts leading to the failures of these banks and to come up with recommendations which will be very helpful, in fact instrumental, in the formulation of policy of banks in the future.

The former Government took no action in this area for many years. Despite the fact that it added 58 foreign banks in 1980 and revised the Bank Act to introduce regional banks to the country, it never once moved to increase the supervisory powers and capability of our inspectors to regulate our financial institutions properly. I think that the actions of the Opposition in delaying the passage of this Bill because the names have not been published is despicable and is not in the interest of Canadian people. I am very disappointed in the quality of the participation in this debate by the two opposition Parties. I urge the speedy passage of this legislation.

Miss Aileen Nicholson (Trinity): Mr. Speaker, I am really shocked and disgusted at the performance of the Minister.

Mr. Turner (Ottawa-Carleton): And a Merry Christmas to you too.

Miss Nicholson: How can the Minister come into the House and imply that the Opposition is holding up this legislation? I ask you to look at the facts. As the Minister said, she introduced the Bill on October 3. On October 10 the Bill was referred to a legislative committee. On October 28 the legislative committee had its first meeting. What was that enormous group of Conservative Members doing from October 10 to October 28?