

Certainly, when you possess a hammer, you cannot just threaten. I remember a remark by Rosenberg in connection with the Greymac, Crown Trust affair. I think he said, "I put them in their place when they came to talk to me." You see what happened. The regulators and the politicians did not have the guts to deal with the issue at an early enough time to save hundreds of millions, if not billions, of dollars. This is what I contend.

We are deviating from my argument somewhat. Colleagues of mine have owned small trust companies, and the regulators have gone in and said, "You are not doing things right, and we will close you down," and rightly so. However, they did not allow them the same opportunity, or deal with them with the same care that they would have shown when dealing with this bank in the 1980s. We know which bank it is. Take a look at the losses they suffered. Take a look at its capital base. You can see that it was in trouble. If it had been a small institution, it would have been closed down.

I am saying there is no level playing field, so this notion of co-insurance is nonsense. It is being perpetrated by the big banks and some other individuals who say it will cost us a lot of money and that people should take a risk. We are talking about seniors, just people; folks. The investment dealers and houses were not able to properly assess the problems that existed in companies such as Confederation Life, Royal Trust, and First City Trust. How is my mother supposed to say, "Gee, I better watch it if I put in more than \$30,000; otherwise I will lose it." It is totally silly to think that an average Canadian is capable of doing that.

However, if you intend to do just that, then at least admit that the level playing field is not there, and that the major institutions will be treated differently, and rightly so. We cannot have one of the major banks fail. The country's reputation would fail along with it.

That is the argument I am trying to make; not whether they should have more or less power. It is just a mirage. It is smoke and mirrors. The institutions that are too big do not need deposit insurance. If you intend to change the rules, then you must understand that those changed rules will hurt only the smaller institutions.

Here is a committee report that has been made to the other place that says we should start on the Schedule 3 banks so that we can service the small industry. How will that Schedule 3 bank exist as a second class citizen in this industry? It is all skewed against the small businesses and in favour of the large ones.

On motion of Senator Angus, debate adjourned.

NATIONAL PROTECTED AREAS STRATEGY

INTERIM REPORT OF ENERGY, THE ENVIRONMENT
AND NATURAL RESOURCES COMMITTEE ADOPTED

The Senate proceeded to consideration of the seventh report of the Standing Senate Committee on Energy, the Environment and Natural Resources, presented in the Senate on November 29, 1994.

[Senator Di Nino]

Hon. Eric Arthur Berntson (Deputy Leader of the Opposition), for Senator Carney, moved the adoption of the report.

Motion agreed to.

NATIONAL PROTECTED AREAS STRATEGY

ENERGY, THE ENVIRONMENT AND NATURAL RESOURCES
COMMITTEE AUTHORIZED TO EXTEND DATE OF FINAL REPORT

The Senate proceeded to consideration of the eighth report of the Standing Senate Committee on Energy, the Environment and Natural Resources, presented in the Senate on November 29, 1994.

Hon. Eric Arthur Berntson (Deputy Leader of the Opposition), for Senator Carney, moved the adoption of the report.

Motion agreed to.

VETERANS AFFAIRS

ROYAL CANADIAN LEGION—INQUIRY DEBATED

On the Order:

Resuming the debate on the inquiry of the Honourable Senator Macdonald (*Cape Breton*), calling the attention of the Senate to certain matters relating to the Royal Canadian Legion. —(*Honourable Senator Berntson*).

Hon. Eric Arthur Berntson (Deputy Leader of the Opposition): Honourable senators, my colleague Senator Macdonald is prepared to have this inquiry considered debated, assuming there are no other senators who wish to speak to it.

The Hon. the Speaker: Honourable senators, then if no other senator wishes to speak, this inquiry is considered debated.

CONSTITUTIONAL IMPLICATIONS OF UNILATERAL PROVINCIAL ATTEMPT TO DECLARE SOVEREIGNTY OR SEPARATION

INQUIRY DEBATED

On the Order:

Resuming the debate on the inquiry of the Honourable Senator Frith calling the attention of the Senate to a letter of June 13th, 1994 from Gordon Robertson to Lise Bissonnette of *Le Devoir*, copies of which were sent to *Le Soleil*, *La Presse* and *The Gazette*, on the subject of the constitutional implications of a unilateral provincial attempt to declare sovereignty or separation.—(*Honourable Senator Di Nino*)

Hon. Consiglio Di Nino: Honourable senators, I am a little embarrassed to admit that I adjourned this debate on behalf of one of my colleagues, but I do not remember who it was who asked me to adjourn it. Unless someone comes forth within the next day or so, I think it should be dropped from the Order Paper.