

[Translation]

BANK'S LENDING PRACTICES

Mr. Raymond Garneau (Laval-des-Rapides): Mr. Speaker, my question is directed to the Minister of State (Finance).

[English]

Last night the CBC television program *Venture* highlighted the fact that the bad lending practices continued in March after the Government stepped in. For example, we have learned that the Canadian Commercial Bank gave a second \$4 million loan at a 30 per cent rate of interest to a construction company in Nova Scotia. That was not in the energy sector of western Canada.

The Minister of State for Finance just told us that many people were looking at the affairs of the bank. Why did she allow the Canadian Commercial Bank to continue these bad lending practices which were responsible in the first instance for the bankruptcy of the bank? Why did she not stop those bad lending practices?

Hon. Barbara McDougall (Minister of State (Finance)): Mr. Speaker, the reason that we were watching the bank very carefully throughout the period of the spring and summer was to ensure that it would serve the interest that we had helped to support, which was the interest of western Canada. We looked at the bank from every aspect over the course of six months and, when we came to the decision that the bank should be closed, we closed the bank.

[Translation]

ALLEGED DISCUSSIONS WITH TORONTO INSTITUTIONS

Mr. Raymond Garneau (Laval-des-Rapides): Mr. Speaker, I have more questions, but we still have most of this week to get back to these aspects of the case. I would like to get back to the Minister of Finance.

Earlier, the Leader of the Official Opposition asked a very specific and very clear question, which none of the Ministers in the House could answer. I would like to repeat the question put by the Leader of my Party.

[English]

Did the Minister of Finance or any of his personal staff call the senior management of Toronto financial institutions in July or August to discuss the potential collapse of western Canada's Canadian Commercial Bank? It is a very simple question. Could the Minister answer it?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I saw those allegations in the press this morning. I checked in my office. I have been unable to find out that there is any way to substantiate those allegations.

WITHDRAWAL OF DEPOSITS BY CHARTERED BANKS

Mr. Ian Deans (Hamilton Mountain): Mr. Speaker, my question is also directed to the Minister of State for Finance.

Oral Questions

Did she know at any time prior to Labour Day weekend, when the announcement was made, that the Canadian Commercial Bank was to close? Did she know that the Canadian domestic banks were withdrawing substantial sums of money from the Canadian Commercial Bank?

Hon. Barbara McDougall (Minister of State (Finance)): Mr. Speaker, yes, there was evidence that some of the banks were withdrawing their deposits. I have no power to stop that. We will have a parliamentary inquiry into everything which happened surrounding CCB and Northland. I would hope that those questions would be addressed to the bankers and to the people involved.

SIZE OF WITHDRAWALS

Mr. Ian Deans (Hamilton Mountain): Mr. Speaker, my supplementary question is directed to the same Minister. Did she investigate the amounts being taken out by the Canadian domestic banks? Did she determine whether in fact those banks were the same ones which had entered into the agreement with the Government to bail out the Canadian Commercial Bank? Did she take steps to insist that those banks live up to their responsibilities and protect the small shareholders?

Hon. Barbara McDougall (Minister of State (Finance)): Mr. Speaker, I have already indicated to the House that I have no power to direct the banks to leave their deposits in or to take them out. The banks were shareholders in this bank along with ourselves. It was in their interest to act in their best interest and in the interest of the Canadian Commercial Bank.

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● (1440)

PUBLIC WORKS

CONSTRUCTION OF CANADA PLACE IN EDMONTON

Mr. William G. Lesick (Edmonton East): Mr. Speaker, my question is directed to the Minister of Public Works. Last June I asked the Minister why the construction of Edmonton's Canada Place had been delayed. Two and a half months have now gone by and there is still no action. Can the Minister give me a definite date for construction and can he tell me why it has taken a full year for this project to get on the road?

[Translation]

Hon. Roch La Salle (Minister of Public Works): Mr. Speaker, I remember clearly answering the Hon. Member that I hoped construction on Canada Place in Edmonton would start during the summer. I think Hon. Members will understand that, considering the scope of the project in Edmonton, there are some adjustments to be discussed by the City of Edmonton, Public Works and the company in charge. Today, I am delighted to be able to inform the Hon. Member that according to information I received this morning, my Alberta