

league that I hope that is what we are trying to achieve here today.

• (1740)

**Mr. Nystrom:** Mr. Speaker, I agree that perhaps we should rewrite the law. I think it has to be done. We are dealing in an emergency circumstance with a wrong which must be righted for many ordinary folk who put their life savings into Pioneer Trust. Pioneer Trust may not be the last trust company which goes broke. It has happened before. There are many innocent victims out there who feel that the federal Parliament and the federal Government should put up a certain percentage of their losses because they were not told by Pioneer Trust that their savings were not insured.

**Mr. Deans:** They were cheated; they were almost lied to.

**Mr. Nystrom:** They were almost lied to; they were cheated. It may have been inadvertent but certainly it was the case.

I referred to the letter of Mr. Schwartz of Englefeld because he told me on the telephone that on his application for the two certificates was the standard stamp of CDIC indicating that he would be insured. If that is the case then we are dealing with something which is very misleading, and Parliament should come to the rescue.

If the Minister is afraid of legal action, I suspect that just by opening the door to help the depositors and investors in the Canadian Commercial Bank, she may have legal cases on her hands in any event. I encourage her to come forward quickly with some special and justified assistance to these innocent victims of the system.

**Hon. Herb Gray (Windsor West):** Mr. Speaker, in rising to speak on this Bill, I want to make the basic point that if a vote is called on it, we in the Official Opposition will likely be voting in support of the Bill. However, if we do so, it does not mean that we agree in any way with the manner in which the Government has handled this Canadian Commercial Bank problem. It does not mean that we believe that the Government, the Minister of Finance (Mr. Wilson) and the Minister of State for Finance (Mrs. McDougall), have carried out adequately and properly their responsibilities in this regard. They have a lot of explaining to do, and they have done very little so far.

After all, it is on record that as far back as September 14, the Inspector General of Banks came to the Minister and gave a clear warning of the problems this Bank already had and the problems which would be building up if nothing was done at that point.

If we vote in support of this Bill at second reading, it does not mean that we believe the Government has necessarily come up with the best package or the best way to deal with the Canadian Commercial Bank situation. We would be supporting this Bill because we believe it should go to Committee of the Whole for detailed study. It is only through giving the Bill second reading, approval in principle, that it can go to Committee of the Whole, and it is in Committee of the Whole that

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we can put our questions on the floor of the House to the Minister, questions concerning what led up to the situation requiring the bail-out of the Canadian Commercial Bank and how the Government carried out, or more likely failed to carry out, its responsibilities in this important matter.

If there is a vote at second reading, it is likely that we will be supporting the sending of the Bill to Committee of the Whole and voting for it because that is the only way to get it to Committee of the Whole. If there is a vote, we would be voting for the Bill for another reason, because we believe there is a proper and legitimate place for government to play a role in assisting the private sector to develop and move forward. Frankly, without this kind of involvement, there would be no private sector in Canada or in the United States or in the western world today. If there had not been government involvement and support, in fact to rescue the private sector, it would have foundered completely during the Great Depression of the thirties and it would have come close to that in other recessions since that time.

This involvement of government in support of the private sector in some cases could mean reinforcing strength and building upon strength, as we believe is the case with respect to Domtar in Windsor, Quebec. In that situation the Government, to its shame and detriment so far, at least, has refused to respond in the proper fashion. In other cases the involvement of government in support of the private sector could mean helping companies in difficulty to have the opportunity to restructure, to modernize, to become more competitive and therefore successful, as was the case with the Chrysler Corporation, not only in Canada but in the United States. In fact, if we had not intervened in respect of Chrysler in Canada, the parent company would have foundered. Without the assistance of the Government of Canada it would not have qualified for the assistance voted by the United States Congress in that American legislation required involvement by other players. That was not there until the Government of Canada came forward.

Sometimes the involvement of government in support of the private sector when it comes to a company in difficulty works, as was the case with Chrysler. There are other cases where unfortunately it does not work. However, one has to be willing to recognize that there are chances to be taken. The Government is certainly willing to take a chance in the Canadian Commercial Bank case. The story has not yet been played out. Many hope that this bail-out—and let us call it what it is—will work, but we do not know for sure what will happen. Sometimes the Government has to take a chance. Sometimes that chance turns out well and sometimes it does not. However, one has to recognize that there are legitimate cases for involvement of government in the private sector to work with and to support a company to survive, not only in the interests of the company but of its workers and the community that depends upon it. This basic principle can apply to a financial institution. The Government argues that this is a proper case for government involvement to save a financial institution.