

### Adjournment Motion

his or her life savings in Moncton?" I urge the Government to accept this modest but important change to the Bill.

The second motion with which I would like to deal is Motion No. 2 submitted by one of my colleagues in the New Democratic Party. This motion would establish some very specific rules for the members of the board, rules that relate to how they conduct themselves, and conflict of interest guidelines. This suggestion is not without support from the government side. When the Minister of State for Finance (Mrs. McDougall) appeared before the committee on September 9, 1985, she stated in part:

Conditions concerning the eligibility of prospective board members would be incorporated in the legislation to ensure that conflicts of interest do not arise.

It is clear from what we have seen in the House over the past month or so that conflict of interest guidelines have to be laid out very carefully. We believe that they must be placed into legislation rather than its being left to a Minister or the Prime Minister to draft effective and functional guidelines. The following is what is being proposed in the motion:

(a) if the person is employed in any capacity in the public service of Canada or holds any office or position of which any salary or other remuneration is payable out of public moneys; and

(b) unless the person complies with the following:

(i) that within sixty days of appointment and thereafter annually, the person reports in writing and in confidence to the chairman all direct and indirect interests the person holds in member institution;

(ii) that as a director, the person is required to divest himself of any direct or indirect interests in any shareholding that is in excess of ten percent of the outstanding shares of any class of share of a member institution or where the chairman is of the view that the shareholding constitutes a significant interest in the member institution; and

(iii) subject to the chairman's request, that the person divests himself of shares that are pledged to a lending institution as collateral for loans made to the person, and such divestment shall be accomplished by selling the shares in an arm's length transaction or by placing the shares in a trust.

We are not talking about a small savings account which the member may have. Let us say that one of the members of the board happens to have a substantial involvement, one that would directly or indirectly, purposely or by accident, lead to a conflict of interest. I think the Government should look at this particular amendment very carefully. It should keep in mind the fact that the Minister of State for Finance specifically indicated that there was a need for such protection.

The final motion to which I wish to speak is Motion No. 5 which would prevent public sector members of the board of directors from appointing an alternate to attend any meeting of the board. The suggestion that alternates not be allowed was strongly supported in committee by the Canadian Bankers' Association, the Trust Companies Association of Canada and the Chairman of the Finance and Economic Affairs Committee, the Hon. Member for Mississauga South (Mr. Blenkarn), all of whom supported the suggestion that alternates for board members not be allowed.

I think the amendments which my colleagues have put forward make a great deal of sense. I believe they would

improve this piece of legislation. I am pleased to have had the opportunity to add my comments to the debate today.

[Translation]

**Mr. Alfonso Gagliano (Saint-Léonard—Anjou):** As my contribution to this debate, Mr. Speaker, I should like to say first of all that I do not object to the grouping of motions we are dealing with today, which appear to me to be quite normal and which should be included in the Bill as amended.

However, Mr. Speaker, I am very disappointed when I think that last spring, we had to adopt a special legislation to save the Commercial Bank of Canada on the brink of bankruptcy in Western Canada, that last fall, we had to adopt a legislation, following a long debate, and we know at what cost for Canadian taxpayers because the Government wanted to compensate with taxpayers' money paid both by the Canada Deposit Insurance Corporation and the Treasury of our country all investors with over \$60,000 in deposits. Today, the Government has introduced a Bill which does not remedy the situation, which does not provide any way to avoid the repetition of the situation we experienced recently and which we could experience again.

In all areas, Mr. Speaker, the Government continues to come up with stop-gap measures which never solve the problems definitely; it continues to put forward half-measures and to adopt a kind of *laissez faire* attitude for which could prove very expensive in the long run. We should keep in mind the crisis which the liability insurance industry is experiencing today. As recently as yesterday, Mr. Speaker, I asked the honourable Minister of State (Finance) (Mrs. McDougall) when she would introduce a bill to control, because there again—

Those who had deposited their money in this bank in Western Canada were quite lucky, because they were covered to the tune of \$60,000 in insured deposits and moreover, the Government decided to step in and compensate beyond \$60,000 in deposits. But those who had an insurance policy with an insurance company which went bankrupt have lost everything, Mr. Speaker, and I hope that, as the Minister promised yesterday, we will have by the end of this month not a bill such as this which will remedy nothing, but a real bill which can solve this problem once and for all.

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## PROCEEDINGS ON ADJOURNMENT MOTION

[Translation]

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

**The Acting Speaker (Mr. Paproski):** It is my duty, pursuant to Standing Order 66, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: The Hon. Member for York East (Mr. Redway)—Environmental affairs—Toxic rain—Provisions of forthcoming legislation; the Hon. Member for Lévis (Mr. Fontaine)—