

Oral Questions

In the last 10 months the company that initially started this hotel has fallen 10 months in arrears on its rent on the lease from Transport Canada, yet the department just recently rejected an offer from another private sector consortium to finish the building.

I ask the minister: Is it now the intention of the government to finish the hotel itself or is it going to allow the private sector consortium to step in and do it? Is it simply going to come in and tear down this monstrosity that is attached to the international airport at Halifax?

Hon. Jean Corbeil (Minister of Transport): Madam Speaker, I presume the member will know that nobody, despite any contract, can just say overnight that this is our property, we are taking it back and we will do something about it.

As I mentioned before it is a very intricate legal situation. We have to be declared owner of the property before we can do anything about it. This is what we have been trying to do for some time. It is not the first occasion that a case has been drawn out in court for more than a year and a half.

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ROYAL TRUSTCO GROUP

Mr. George S. Rideout (Moncton): Madam Speaker, my question is for the minister responsible for financial institutions and it concerns the collapse of the Royal Trustco Group.

Shareholders have lost thousands of dollars. There are serious allegations of questionable debt payments of tens of millions of dollars. There are allegations that preferred shares of almost \$200 million were redeemed three days before the sale to the Royal Bank of Canada.

In light of this public information, what concrete and specific action has the minister taken?

Hon. John McDermid (Minister of State (Finance and Privatization)): Madam Speaker, the hon. member fully knows that we are responsible for ensuring that the depositors are protected in Royal Trust. That is the primary concern of our department.

As the hon. member knows, there are various steps that have to be gone through in the agreement that is being reached between Royal Trustco, as opposed to

Royal Trust, and the Royal Bank of Canada. They are currently in negotiations on a sale. Those negotiations are in process but no proposal has been presented either to myself or my department. Until that time I really have no further comment on the proceedings.

Mr. George S. Rideout (Moncton): Madam Speaker, my supplemental is to the same minister.

The Superintendent of Financial Institutions has stonewalled the efforts of the subcommittee of finance to get to the bottom of trust company failures. The confidence and security of our financial institutions are at stake.

Will the minister cause an independent inquiry to be made of the Royal Trust matter?

Hon. John McDermid (Minister of State (Finance and Privatization)): Madam Speaker, if the hon. member has been following these matters, when trust companies do get into problems and solutions are found—either private sector solutions or the government has to liquidate—he will have found that the finance committee has done a follow-up investigation.

I would absolutely object to the terminology that the Superintendent of Financial Institutions has stonewalled the committee. He has appeared before that committee many times over the past year. He will continue to appear before it in the future, but there is no deal that has been finished or completed yet so there is no sense investigating one until the deal is completed.

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THE ENVIRONMENT

Ms. Lynn Hunter (Saanich—Gulf Islands): Madam Speaker, my question is directed to whomever is answering on behalf of the minister of health.

Three years ago this month the environment committee in a unanimous call to action urged the government to act on ozone. I quote from our report: "Ozone depletion is a threat to the continuation of life on earth".

It is clear that the government does not share the urgency felt by the environment committee members. Last year in a question I had posed to the minister of health, he answered that he was considering legislation on sun screens and sun-glasses.