

Statements by Ministers

political decision. I think that this would place him in an untenable position.

Finally, Mr. Speaker, I wish to point out to the Government and to the Canadian people that I find it strange to hear in this House the Opposition being accused of delaying unanimous consent for a referral to the committee.

I think we should emphasize, for the benefit of the public who is watching us, we should shed light at least on that part . . . The Government has tried—I do not know whether this the correct Parliamentary expression—to have this issue quickly referred to a Parliamentary committee without assuring us that the said committee would have every opportunity to examine it in depth. Mr. Speaker, when we are asked to carry out an investigation of this type in only one and a half or two months, when we know how heavy the Parliamentary workload is; when we are told that there is no way we could have a look at the Hitchman report, or consult the list of depositors or find out about the types of assets these banks had, what do you think we will be able to do in committee except participate in the cover-up this Government was trying to force upon us? To do a really good job, we need a minimum of documents.

About this political decision which is likely to cost \$1 billion, I suggest it will not be possible to get to the bottom of this as long as the committee will not have the privilege of calling as witnesses the Minister of Finance, the Minister of State (Finance), the Prime Minister, and all the other people involved in this matter. And I suggest also that if a judge can carry out an administrative investigation, he cannot carry out a political one. That is the reason why, and I will conclude my remarks with this, I feel today is a very sad day. I just cannot accept that these two banks can go under, that Canadian taxpayers can be called upon to pay up to \$1 billion, and that two Ministers can wash their hands of the whole mess by referring it to a judge and remain comfortably seated without assuming their responsibility in the matter.

● (1540)

[English]

Mr. Mike Cassidy (Ottawa Centre): Mr. Speaker, it was with a great deal of regret that we learned today of the collapse of the Northland Bank. The Government's attempts to rescue the Bank will not succeed and the Government has decided to put the Bank into liquidation. I think this collapse will be a further blow to the economy of western Canada as well as to the taxpayers both in the West and across Canada. Perhaps I can put it into perspective, Mr. Speaker, by reminding the House that the combined cost of the collapse of the Canadian Commercial Bank and the Northland Bank is in the order of \$1 billion to the Canadian taxpayer. A great deal of that money has to be put down to this Government which in 12 months or 13 months has intervened directly, has made decisions in supervising officials who, I believe, made errors and we are now seeing the chickens coming home to roost.

This has come about at a time when this House has just had closure imposed on a project of law to deindex the family allowance and to take money out of the mouths of the children of Canada, and we are doing that so that we can spend \$1 billion for the depositors of the Canadian Commercial Bank and the Northland Bank, many of whom were uninsured depositors and who had absolutely no contract or guarantee that they should get their money back.

I would like to cite for the record the names of Robert Wilson, the chairman, Mr. Charles Neapole, the president and Mr. Martin Fortier, the executive vice-president of the Northland Bank who, according to this week's *Financial Post*, in August were each given, to compensate for the lack of bonus, a brand new \$50,000 Jaguar automobile. That is how it is reported. I hope it is not true. However, I certainly wonder about bail-outs in this kind of stratospheric operation which is so far out of the reach of ordinary Canadians. Ordinary Canadians are spending \$60, or \$70 per person on the bail-out of these banks.

It is of regret to us, Mr. Speaker, that negotiations between the Government and the Northland Bank were not enough to save the bank. We will learn, as details about the Northland Bank become public, what exactly led to the Bank's ultimate demise. I note in looking at the Minister's statement that, if nothing else, there was something of a double standard which appears to have been imposed in this particular case. The Government claims that it was not prepared to accept an open-ended commitment with respect to the Northland Bank. Yet that is precisely what was done with respect to the Canadian Commercial Bank. The Government says it needed a solution which had certainty that the banks would emerge as a viable operation. It is certainly obvious now, if I can quote the Prime Minister (Mr. Mulroney) about the Canadian Commercial Bank, "There was no certainty it would emerge as a viable operation».

If the Government had been adequately informed about the situation of the Canadian Commercial Bank back in March I wonder whether in fact the Northland Bank might have been saved by intervention at that time, even if the cost was that one of the two banks would have gone down. I noted the Minister's statement—

[Translation]

Mr. Speaker, I notice that in her statement, the Minister once again has blamed this mess on the economic situation in Western Canada without mentioning either the CCB's investments in California, the monitoring and administrative failure of the Inspector General of Banks, the Governor of the Bank of Canada and the Bank of Canada itself, or the administrative and political blunders of the Government of Canada.

The Minister does not recognize that the regulators, the Bank of Canada and the Ministers themselves must have played a major part in this situation which has cost so far \$1 billion to Canadian taxpayers.

The Minister keeps repeating that the Government acted back in March on the basis of the best information available at