

*Canadian Commercial Bank*

Minister. In the House she said again today that Pioneer Trust was not going to be viable, that it closed its doors in a voluntary way, that there was no private nor provincial government assistance in terms of arranging a bail-out and things of that sort. I am not arguing here for corporate welfare. My concern is about the ordinary depositors. The Minister said in the House on Tuesday:

Mr. Speaker, I might point out that many financial institutions, including the Canadian Commercial Bank, also have municipal depositors, hospitals, and other ordinary Canadians as depositors and borrowers, as did Pioneer Trust. I might also point out, in the case of Pioneer Trust, that management voluntarily closed the doors after spending a considerable amount of time trying to find capital which they could not find.

She goes on to repeat those kinds of arguments.

I also have here a letter containing many pages that she wrote to my colleague, the Hon. Member for Regina East (Mr. de Jong), explaining the whole thing. The Minister may be right, in terms of the inefficiency of Pioneer Trust, that it had to close its doors, that it was not viable, that the provincial Government was not interested in putting up enough money to try to keep Pioneer Trust viable, that there was no private sector solution and all those kinds of things. That still does not answer the problem, Mr. Speaker, of my farmer in Englefeld the elected official in the City of Melville, and of all kinds of other people who have put money into Pioneer Trust. We must find a solution for those folks. That is my case. If we are going to pass this Bill, if we are going to bail out the Canadian Commercial Bank, if we are going to help certain depositors and certain investors in a financial organization like a bank, then why can we not do it for a trust company?

There is something I could not help but note in the opening remarks of the Minister of State for Finance (Mrs. McDougall), I think she is trying to do the best job she can, but she said that the reason for bailing out the Bank was that we had to have confidence in the financial system. She used the words "financial system". To me the financial system is not just the banks but the trust companies as well. She nods in agreement. If she agrees that we are not only talking about banks in terms of financial confidence in Canada, why can we not have, when we have this very hurried legislation concerning this Bank, some other legislation by which the federal Government would provide assistance to depositors and investors in Pioneer Trust?

We seem to have an agreement that there is an unfairness, an injustice and inequity in that the financial system includes not only the banks but also trust companies. If so, then perhaps we should send this legislation back to the drawing board for a few hours or a couple of days in order to solve that problem as well.

There is another thing. The Minister said, and I agree 100 per cent with this, that she wanted to make the system safe for depositors. Of course we want to make it safe for depositors, but that has not been the case for Pioneer Trust. If we are going to make the banking system safe for depositors, then let us make the trust company system safe for depositors as well.

I have the brochure here from CDIC. The regulations and rules are here. It is spelled out, for example, that there are

cases where you can get a five-year guarantee. It is right here in the brochures that are put out. Obviously some trust companies ignore the rules with their clients and customers.

As I said before—the Hon. Member for Saskatoon West (Mr. Hnatyshyn) just got up and the Hon. Member for Assiniboia (Mr. Gustafson) is here—we know our problems well. We know that for many farmers their life savings are their farms. They put their savings in a trust company or in a bank, and that is all they have. What does this man from Englefeld have now unless this Parliament comes to the rescue? Pioneer Trust has let him down. In my opinion it is not CDIC. Perhaps we need to change the legislation concerning CDIC as well. That is for the future. I think this Parliament must come to the rescue.

[Translation]

Mr. Speaker, this afternoon we are considering a Bill that is nothing less than a welfare handout for the Canadian Commercial Bank, at a time when we need help for the average Canadian. I met five farmers from Ontario 45 or 60 minutes ago and one of them told me that in his neighbourhood, along a road two and a half miles long with maybe eight or nine farms, all the farms except one are now up for sale, because of the many financial problems facing farmers today. Farmers, fishermen, and small- and medium-sized businesses all have a lot of financial problems. Canadians should be able to contract loans at a reasonable rate of interest, and if we can do something for the Canadian Commercial Bank, Mr. Speaker, we should be able to do something for the average Canadian as well.

[English]

Mr. Deans: Mr. Speaker, I will be brief because my colleague has covered almost every point. I know my colleague agrees, and I am sure the Minister agrees also, that the different laws which are in place and deal with trust companies on the one hand and banks on the other hand create a different standard within society, that certain people are protected and other people are not protected. They set up a situation that is a veritable gallimaufry of regulations which causes people to be unable to work their way through and find the actual answers to the problems that confront them at times like these. My colleague juxtaposes Pioneer over and against the Canadian Commercial Bank. Had those depositors been depositors with the Commercial Bank they would have been protected, but because they happened to be with Pioneer—and this is not the only case—they are not protected.

What we are asking for is a rewriting of the law. We are saying that in the end after we have looked at all the circumstances that related to the near collapse of this Bank and when we juxtapose them with the circumstances that were imposed upon those people that were associated with Pioneer Trust, we need to do two things. First, we need to move in an emergency way to provide the same level of protection for all people. Second, we need to rewrite the law to make sure that it is fair and equitable in all circumstances. I am putting to my col-