

*Oral Questions*

**Mr. Mulroney:** You are certain that is a direct quote from the Minister? Because I suggest, Mr. Speaker, that is at variance with what I recollect the Minister saying.

Perhaps I could tell my hon. friends this. If a support package were put together in the neighbourhood of hundreds of millions of dollars with a view to saving a financial institution in western Canada, when the Minister spoke to that issue it would have been contradictory in the extreme, having put together a support package to save an institution in western Canada, to then say: "I don't think it's going to work".

**Mr. Broadbent:** That is not the question.

**Mr. Mulroney:** Obviously the Government believed, the banks believed, and the Opposition believed, that the package put forward was designed to be of assistance to that institution, its depositors, and western Canada.

In regard to the question my hon. friend specifically raises, and we have to go very carefully to the premise, which is the alleged statement of the Minister, I will answer as follows. We asked and invited Members of Parliament to bring this matter to committee as quickly as possible, because if anyone, a chartered bank or anyone else, acted incorrectly, then let the public know, and if they acted illegally then immediate prosecution will be initiated against them.

**Some Hon. Members:** Hear, hear!

## WITHDRAWALS MADE BY CHARTERED BANKS

**Hon. Edward Broadbent (Oshawa):** Mr. Speaker, given the proceedings going on both inside and outside this House, there may at some point be criminal charges. One hopes that is not necessary or the case, but it may happen. However, my question to the Prime Minister has nothing to do with that. It has everything to do with the fact that Ministers of the Crown have responsibility for millions of dollars of taxpayers' money and when they enter into an agreement with the banks they should make sure the banks do not scuttle the project. That is what the question is all about.

I ask the Prime Minister to answer the question this time. If he checks the record he will find the Minister of State for Finance in this House yesterday accepted as normal business practice the right of the banks to withdraw their deposits from the Canadian Commercial Bank even if it led to a scuttling of the project.

**Mr. Clark (Yellowhead):** Read the record.

**Mr. Deans:** I have read it.

**Mr. Clark (Yellowhead):** Read *Hansard*. Tell the truth.

**Mr. Deans:** I have read it.

**Mr. Broadbent:** Since we know the banks made a deal with the Government of Canada, and since we know that—

**Mr. Speaker:** Order, please. Could the Hon. Member come right to a question?

**Mr. Broadbent:** We know they withdrew their funds, which helped scuttle the project. Does the Prime Minister agree that they ought to have made that kind of withdrawal?

**Right Hon. Brian Mulroney (Prime Minister):** Mr. Speaker, what I know is that the chartered banks contributed something in the neighbourhood of \$60 million as part of a support package to save that institution in western Canada. It would be preposterous in the extreme, having contributed the \$60 million on a Wednesday, for them to withdraw it on a Thursday. It may be that that is the evidence to be adduced before a parliamentary committee. That is why we want this matter to go to a parliamentary committee so that value judgments can be made.

My hon. friend says the banks scuttled the project. He does not know that at all. Not at all. If that is the case, we will deal with the banks of Canada with the utmost severity, but we will not hang anyone until the proof is in. You want to hang people before the proof is in; that is what is wrong.

**Mr. Broadbent:** Mr. Speaker, I say to the Prime Minister that he ought to know now whether the banks made those withdrawals soon thereafter. He should not have to wait for an inquiry; he should know now.

## CABINET RESPONSIBILITY

**Hon. Edward Broadbent (Oshawa):** Mr. Speaker, the Prime Minister has responsibility for his Minister of Finance and his Minister of State for Finance. Was the Cabinet not kept informed of the withdrawals that were being made? Was there not a continual monitoring of the process by the Cabinet in exercising its responsibility to the taxpayers? Or were Ministers prepared to sacrifice not only the Canadian Commercial Bank but the credit unions and municipalities, and then come back to all the rest of the taxpayers of Canada to ask for another \$1 billion to pay out? I ask the Prime Minister is that responsible leadership?

● (1430)

**Right Hon. Brian Mulroney (Prime Minister):** Mr. Speaker, I am somewhat mystified by the line of questioning of my hon. friend. I know the Liberals would be. They are criticizing us for helping a fledgling institution. They didn't say a word when they pumped a couple of billion dollars into Canadair in Montreal and refused to allow an accounting here in the House of Commons. That is what happened. We want this to go before a committee.

**Some Hon. Members:** Hear, hear!

**Mr. Mulroney:** I can remember asking a previous Prime Minister for a committee of the House so that we could examine and try to save that institution in Montreal, and the answer was no.