

out towards the end of August and the Government acted quickly once it was apparent to us.

MINISTER'S ACTIONS

Miss Aideen Nicholson (Trinity): Mr. Speaker, the Estey Commission Report has confirmed that the banks participating in the bail-out last March wanted a comprehensive, independent review of the loan portfolio, but that the Government made no effort to press for an early examination of the loan assets of the bank. Why was the Minister content to gamble taxpayers' money on an uninformed rescue attempt which, according to Mr. Justice Estey, "was ill starved from the outset and had no chance of success"?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I think Mr. Justice Estey makes it clear that we were entitled to rely on the information which was provided to us. We probed that information, and during the course of the time following the putting together of the support package and into the summer there was a considerable amount of work which was coming on.

When we called in support through the help of Mr. Hitchman, we did so because it was apparent that the problems were becoming greater. We responded very much to that information which was provided to us, and acted accordingly.

DELAY IN EXAMINING BANK'S ASSETS

Hon. Edward Broadbent (Oshawa): Mr. Speaker, my question is directly supplementary to the question just answered by the Minister. It is true that Mr. Justice Estey's report exonerates the Government from any wrongdoing in the period up to March, 1985, when the original bail-out decision was reached. However, Mr. Justice Estey goes on and states:

Clearly there was a complete inadequacy of follow-through in obtaining the information necessary to produce the final Participation Agreement and to properly monitor the progress of the rescue program. In particular, the Minister of State appears to have made no effort to press for an early and organized hands-on examination of the loan assets of the bank.

Would the Minister not agree that this wording effectively condemns the former Minister of State for Finance for failing to exercise her ministerial responsibility?

Hon. Michael Wilson (Minister of Finance): No, Mr. Speaker, I would disagree entirely with that conclusion. The Estey Report makes a very clear statement. There is nothing in the evidence which leads to criticisms of these Ministers. The Ministers gave the officials adequate guidance and support and properly left the execution to the administrators. I think the report speaks for itself.

MINISTER'S POSITION

Hon. Edward Broadbent (Oshawa): Mr. Speaker, I do not want to get into a verbal game with the Minister about

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ministerial responsibility. I want him to give us his understanding as the senior Minister involved. The cost to Canadian taxpayers during those summer months went from the original estimate, which was just over \$130 million, to a final cost of \$1 billion. During that period not only chartered banks but other major depositors were making withdrawals from the Canadian Commercial Bank. During the same period of time a proper loan portfolio assessment had not been done.

● (1425)

Considering that Mr. Justice Estey states that there would have to be other forums to make a final judgment with respect to the question of ministerial responsibility, does the Minister not think that his junior Minister failed to do the proper job under the circumstances?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, no, not at all. I think that the Hon. Member is either reading very selectively from the report or that he has not read the report at all. It is important for the Hon. Member to understand the total spectrum of comment that has been made. I have indicated very clearly that the report speaks for itself. The conclusions that are being drawn by the Hon. Member, or those which might be drawn by me, are less important than those found in the report of an objective and independent judicial inquiry. That was the purpose of the inquiry. That is why we went ahead with it. I believe it is important that we abide by the conclusions of it.

EXERCISE OF MINISTERIAL RESPONSIBILITY

Hon. Edward Broadbent (Oshawa): Mr. Speaker, the Minister knows that we made an attempt in the House to have referred specifically to Mr. Justice Estey the idea of ministerial responsibility and that the Government refused to add such words. He knows that Mr. Justice Estey, and other judges in that position, are reluctant to become involved in making essentially what are political judgments. Considering that there was a failure after the March period to supervise the activity of the officials, a failure to understand the seriousness of the portfolio loan problem, and a failure to watch the millions of dollars that were being withdrawn, does the Minister not think, for future reference, that a Minister, male or female, exercising proper responsibility ought not to make that type of mistake?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, again I refer specifically to the words of the report: "There is nothing in the evidence which leads to criticisms of these Ministers". How clear could Mr. Justice Estey be?

The Hon. Member talks about supervision. In the words of Mr. Justice Estey, "the Ministers gave the officials adequate guidance and support". Surely the Hon. Member can understand the import of the conclusions reached by Mr. Justice Estey.