

I had to quit farming to allow my sons to fully take over, and put my sales from wheat into Guaranteed Income Averaging Certificates in Pioneer Trust Company for six and seven years respectively, so that I would have a monthly income until I get my Old Age Pension.

The two applications for these certificates which I signed in good faith in this company bear the seal of the Canada Deposit Insurance Corporation, which covered my deposits. Furthermore, they do not state that there is a guaranteed limit of only five years.

My friend from Hamilton said that, as we all know, people, are insured up to \$60,000. That is not the case for some investments. I quote from the letter:

To date I have not received any communication from anyone concerning my investments in Pioneer Trust: I have only heard from the media, and repeatedly seemed to be assured that deposits under \$60,000 were insured and would be fully paid.

By Canada Deposit Insurance Corporation. He goes on to say:

On March 1st I asked at their office (now B.C. Bank) in Saskatoon for the return of my investment and was informed that my policies were not insured. I received a form for proof of claim which I sent with photocopies of my certificates to Touche Ross Co. in Regina. I still have had no communication from anyone.

For your information, Pioneer Management (a branch of Pioneer Trust) held a supper meeting in Englefeld on March 12th assuring the people that they are financially sound and expanding. I was not invited!

If this is the case, I feel they should be compelled to finance the obligations of Pioneer Trust.

I urge you to demand that Canada Deposit Insurance Corporation be made to do this, or that it be made to honor its guaranteed insurance to me, regardless of the five-year limit, to which I never did sign.

Yours truly
R. S. Schwartz

I had an opportunity to speak with him on the telephone yesterday. He told me that when he made his application for these two certificates—one for six years and one for seven years—the standard CDIC stamp was on those certificates saying that he would be fully insured. He was never told by Pioneer Trust that he would not be insured. He has invested less than \$60,000.

I believe he sold his wheat in this case and, as Members are aware, farmers do not have a company pension plan. Small business people do not have a company pension plan. Therefore, they sell their business or farm and put the money into an RRSP or income averaging annuity to act as the pension income. This person was informed that that would be the case.

I believe the Minister when she says that her first priority is for those depositors and investors in the Canadian Commercial Bank. She says that the Government must rescue ordinary Canadians and do something for them. I have been told that the money in the Canadian Commercial Bank includes funds from the Manitoba Teachers' Pension Fund.

If we are going to pass legislation for them, why should we not do the same thing for a retired farmer in Saskatchewan or a businessman in Alberta who have put their entire life savings into the Pioneer Trust Company?

Let me tell you more about people who invest in Pioneer Trust. The City of Regina has \$1 million in Pioneer Trust.

Canadian Commercial Bank

An Hon. Member: Tell us all about the widows and orphans.

Mr. Nystrom: I do not think that it is a laughing matter, Mr. Speaker. The City of Regina has \$1 million in Pioneer Trust. The Province of Saskatchewan, which has a Conservative Government, has \$4 million in Pioneer Trust. Many schoolboards have money in Pioneer Trust. There are many farmers who have money in Pioneer Trust. I have given one example today, and I had a second call from a farmer in my riding to which I could refer if I had time.

There are architects and contractors who have money in Pioneer Trust. Sask Sports is a sponsor of recreation and culture in our province. The Hon. Member for Saskatoon West (Mr. Hnatyshyn) is very familiar with that organization. It has money in the Pioneer Trust. Another depositor is a hospital which is run by an order of nuns in the City of Estevan. These are people who have invested in Pioneer Trust. Of course, they were upset with the collapse of Pioneer, but they are even more upset when they see the double standard by which the Government bails out a bank but not the depositors who have money in Pioneer Trust.

There is an elected official in my riding in the City of Melville. I understand that he has more than \$60,000 deposited for less than five years. He is assured that he will get back at least \$60,000. He told me on the telephone yesterday that he has no word whatsoever from CDIC. He said that other people who will be getting \$60,000 have had no word whatsoever from CDIC. Of course, they are not insured for anything over \$60,000. Anything over \$60,000 is not insured. What has made this man angry is that he sees us bailing out the Canadian Commercial Bank and its depositors. He sees them called ordinary Canadians. He sees that their assets are important to the Parliament of this land, and he says, "What about mine?" Those are the words of an elected official in Melville, which is a very important city in my riding.

● (1730)

Pioneer Trust has not informed a lot of people when they were putting money in the trust company that their funds may not be insured for more than five years. Yesterday I decided to do an experiment here in Ottawa. I had one of my staff go to Canada Permanent Trust on Metcalfe Street. My staff member, Michele Charbonneau, went into Canada Permanent and inquired about annuities, bonds, certificates, and things of that sort. She asked the woman at the Permanent whether she would be insured for more than five years as she might want to invest for six or seven years. The woman said, "Of course, no problem whatsoever". Miss Charbonneau pulled out the brochure from CDIC and showed the five-year limit on certain kinds of investments. The woman said, "That must not be true". She went to check with her boss and came back a few minutes later with a red face, very embarrassed, and said, "It is true. There is a five-year limit for insurance".

I wonder whether a lot of trust companies in Canada are ignoring the by-laws of CDIC which say that customers should be told that their savings may only be insured for some five years. Because of that I want to make an appeal to the