

S.O. 31

● (2150)

The depositors who have placed their savings . . . There is at least one of them in my riding who has been living in anguish since then because he deposited at this bank the \$160,000 he had managed to save in his lifetime. Why waste the taxpayers' money, send it down the drain, for all practical purposes, because there will not be a single job left when the banks go. The problem is the same with the Northland Bank. How much money did it get from the Bank of Canada? What is the real value of its assets? We have no accurate and up-to-date figures. Those which are available date back to October 31, the end of the fiscal year for the banking institutions, and indicate \$1 billion in assets. I checked . . . A major part consists in very worthwhile investments. I ask myself: If we are to use the taxpayers' money, is there no way we could save the Northland Bank?

The purpose of my remarks, Mr. Speaker . . . I returned from Quebec City to take part in this debate for one single reason. I suggest that we could save the Northland Bank if the Government withdrew . . . and found a way to get out of the unthinkable maze in which it got stuck by placing the CCB and the Northland Bank in the same bag. You can imagine the reaction of the depositors when they read in a press release from the Minister of State for Finance (Mrs. McDougall) that the Government was asking for the liquidation of the bank but was asking the court to postpone its decision on a liquidation application. If you had \$100,000, Mr. Speaker, would you place it in a financial institution for which the Government of your country has sought a liquidation order? It does not make sense, and the whole operation, day after day, is a further demonstration of the incompetence of the Minister of Finance and the Minister of State for Finance.

My colleague the Hon. Member for Saint-Henri-Westmount (Mr. Johnston) and I have often pointed out the empty seat across the floor that is reserved for the Prime Minister, and I urged very strongly my hon. friends to read from A to Z, as reported now by the Canadian Press, the various stages of this operation, and all evidence points in the same direction, the same as in the tuna fish disaster: The Office of the Prime Minister . . . As I said, I believe the Northland Bank could still be saved. It is a regional institution. Personally, as a Quebec Francophone, I would feel terribly humiliated if I heard that our "caisses populaires" were on the brink of bankruptcy. However, today, I feel that western Canadians have heard just about enough of the Prime Minister's statements.

But if I were a westerner, Mr. Speaker, I would be humiliated to see a regional bank go belly up, after years and years during which those people kept asking for their own financial institutions—two banks established during the 1970s. I will not launch into a political debate as did the Associate Minister of National Defence (Mr. Andre) earlier this evening. They were established under a Government and prospered for a while. Some errors were made. If on March 25th I had been told that

nothing could be done, that the institution was bankrupt, but with no request for taxpayers' dollars to put it back on an even keel, I would have understood, I would have accepted the situation, difficult though it would have been to do so. But in this case they asked for \$225 million, not to save one or two individuals but to save a financial institution which was, in my judgment, the result of years of work and negotiations by the people of Western Canada to have their own financial institutions. So they are going to spend taxpayers' dollars to repay all depositors, they will clean up the whole mess. Perhaps it will end up costing \$1 billion by the time this is over, but then when will the residents of Edmonton, Calgary, Winnipeg or Regina get back on their feet and try to get another regional bank going? I am saying that the full responsibility should be borne by the Prime Minister, the Minister of Finance and the Minister of State for Finance.

If the Government had been more serious and had taken the time it needed instead of panicking and trying to avoid the effects that such a decision could have had on the Summit organized by the Prime Minister, we might have been able to save some money in closing the CCB. With half these amounts, we would probably have been able to save Northland and to keep a regional bank in the Prairies to continue to serve the population, not only of Canada as a whole, but especially of the Western provinces.

In my opinion, it is a shame to have acted in this way and the debate this evening has at least had the advantage of clearly showing the incompetence of the Minister of State for Finance and the Minister of Finance who both washed their hands of the whole business and let the Prime Minister make the political decision.

In all the issues that are being raised one after the other, we see how badly the credibility of this Government is affected and how the Western provinces and financial institutions will have to pay for it.

[English]

Mr. Doug Lewis (Parliamentary Secretary to President of the Treasury Board): Mr. Speaker, before I begin my remarks, I would like to say to my colleague, the Hon. Member for Laval-des-Rapides (Mr. Garneau) who just spoke, that when we talk about credibility, we talk about being here for the beginning of the debate.

Mr. Gauthier: You've got to be kidding.

Mr. Lewis: I welcome him back to the House. I am pleased to have this opportunity to enter the debate with the perspective of a Member of Parliament from central Canada. This matter goes to the very heart of what this country is all about. It goes to the very fact that this is a country of various regions which is tied together by a common bond and that common bond is the fact that when one region encounters difficulty, the other regions pitch in to help out.