

The bottom line is that the bank and the insurance company together left an amount outstanding of \$50,000 under the insurance policy. Now, of course, not only has the bank's loan been subsequently repaid, but they have not made up the differential in the life insurance policy. Now the woman is in jeopardy of losing her home.

I think that is the kind of thing that really gives the banking community of this country a bad reputation. They are big and powerful and have this traditional approach, but I think we have got to change that.

I want to give another example. This one has had a little bit of a profile. It was the Penta-Stolp Corporation. This is a corporation with the head office in Markham, Ontario.

Over a period of five years from March 1986 the Penta-Stolp Corporation put approximately \$500 million through the Toronto-Dominion Bank. In February 1991, the Penta-Stolp Corporation was having some financial difficulty and it had \$28 million on deposit. However, it also owed the Toronto-Dominion Bank \$28 million. It naturally had some securities and some assets, but the Toronto-Dominion Bank unilaterally seized all its deposits to offset the loan. The problem was that \$13 million of the \$28 million was trust fund money. That trust fund money was linked to the company's ability to continue to build homes and complete its contracts and it forced the company into bankruptcy.

• (1230)

When that company went into bankruptcy, there were carpenters, bricklayers, dry wall installers and all the trade that we in Toronto call the panel truck trade in the house-building industry. Millions of dollars went into default with all of these people. Many of them, of course, had to go on unemployment insurance and welfare all because of the Toronto-Dominion Bank manager unilaterally taking trust funds.

In this particular case, the president of the company, Mr. Chris Mullins, a successful entrepreneur, was shamed publicly. They wrote articles about him in the newspaper. The embarrassment he and his family went through was quite humiliating. He took it to court. Do you know what happened two years later, Mr. Speaker? The judgment came on July 16. It found that the

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Toronto-Dominion Bank had breached its contracts with Penta-Stolp and on and on it goes. They are entitled to damages arising from that breach.

There was a situation where the Toronto-Dominion Bank seized a trust fund to which it had no access and put the company under. Then it lost the case. I understand it may try to appeal instead of just realizing that there are some situations that are black and white. The bank could admit it made a mistake and try and fix it and move on. There is one thing about banks and that is that they have staying power. However, most entrepreneurs certainly do not have the resources to take on a major institution.

I want to give another example and this one has to do with the Bank of Montreal. God forbid that when this speech is over I ever need to go and get bank credit from any of these guys because it will be game over for me.

I want to give another bad example. I want to talk about a corporation that is in the political jurisdiction of the minister responsible for small businesses. This is a favourite story of mine and I am going to stay on this story until the government gets its act together on it.

It is Amertek. There were 400 military fire trucks exported and shipped around the world for guarding the White House, Camp David, the Persian Gulf and Egypt. Because of the extras that were owing to this particular company, because of add-ons from the U.S. military, this company was owed about \$17 million. It is still owed \$17 million. The Department of Supply and Services and the Canadian Commercial Corporation have not done their work on this particular case. I have told everyone on this side of the House. I have told the minister of DSS and the bureaucrats are giving it the MAD treatment: maximum administrative delay. I want to refer to the bank.

The Bank of Montreal saw that it was having this difficulty and switched it into this special unit at the Bank of Montreal called the SAMU group. You have heard of a sumo wrestler. The Bank of Montreal has its SAMU group: special account management unit. These are the real hot-shot work-out bankers who take companies in and try to keep them alive. They try to help them through difficult periods.