

Oral Questions

● (1430)

[Translation]

NATIONAL DEFENCE

UTILIZATION OF CANADIAN FUNDS

Hon. Jean Chrétien (Saint-Maurice): Mr. Speaker, I wish to direct my question to the Right Hon. the Prime Minister.

In light of the decision made Saturday and for which the Prime Minister deserved congratulations from the Opposition parties—and we are glad that we raised the issue as early as January with respect to Canada's non-participation in the star wars research program—would the Prime Minister assure the House, better than the Minister of National Defence did in the House of Commons yesterday, that Canadian public funds will not be used to assist any Canadian contractor whatsoever in the star war research program right here on Canadian soil?

[English]

Hon. Harvie Andre (Associate Minister of National Defence): Mr. Speaker, the answer to that question was given by the Prime Minister on Saturday. It was repeated by the Deputy Prime Minister and Minister of National Defence yesterday in the House. I can only repeat again that the defence production sharing agreement which has been in place since 1959 will carry on. Any support the Government of Canada might or might not give to companies undertaking research will be done in accordance with existing procedures which were in place while the Hon. Member was in Government, and will reflect Canadian priorities and Canadian needs.

UNITED STATES STRATEGIC DEFENCE INITIATIVE—CANADIAN POSITION

Hon. Jean Chrétien (Saint-Maurice): Mr. Speaker, my question is directed to the Right Hon. Prime Minister. Will he come clean with the Canadian public? Are we or are we not involved in star wars research programs? Yes or no? Is he trying to do by the back door what he is telling Canadians that he does not want to do by the front door?

Right Hon. Brian Mulroney (Prime Minister): I will tell you what we did not do, Mr. Speaker. We did not spring Cruise missiles on the Canadian people unannounced, like that Government ahead of us.

Some Hon. Members: Hear, hear!

Some Hon. Members: Oh, oh!

Mr. Mulroney: That's what we didn't do.

[Translation]

I said so in both French and English. My hon. friend from Bay Street finds that somewhat difficult to understand. Again I repeat it, my words were clear and all Canadians got the message. It is unfortunate that my colleague had the rug pulled right from under his feet. As far as we are concerned,

we have made a decision to uphold the interest and integrity of Canada, and I am proud of it.

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[English]

BANKS AND BANKING

CANADIAN COMMERCIAL BANK COLLAPSE—PAYMENTS TO FOREIGN BANKS

Mr. Nelson A. Riis (Kamloops-Shuswap): Mr. Speaker, I want to return to this \$1 billion bail-out for which the Minister of State for Finance is responsible. On a number of occasions she has taken steps to assist the domestic banks. However, does she really believe that it is appropriate to expect Canadian taxpayers to cough up \$1 billion to bail out the largest depositors, which are the foreign banks? Is the Minister really saying that Chase Manhattan, Barclays, and Bank America need help from the taxpayers of Canada?

Hon. Barbara McDougall (Minister of State (Finance)): Mr. Speaker, I have told the House that the people we are moving to protect are small Canadian towns, hospitals, and colleges. They cannot have it both ways. They are saying that the domestic banks pulled out and that we should not pay the foreign banks. What are they talking about?

BANK AUDITORS' REPORT

Mr. Nelson A. Riis (Kamloops-Shuswap): Mr. Speaker, my supplementary question is directed to the same Minister. Ordinary Canadians on Main Street are being asked to bail out the foreign bankers on Bay Street. We in this Party think that that process must now come to a start—come to a stop.

Some Hon. Members: Oh, oh!

Mr. Speaker: Order, please. It is a good time to stop the preamble and to start the question.

Mr. Riis: I think I will try that again, Mr. Speaker.

During the collapse of the bank, of course auditors were sent in and they reported to the Inspector General of Banks. Did the Minister communicate directly with the bank auditors? She knows that the financial statements which they are presenting ought to be in the fiction section of a library. Knowing that, did she actually sit down to talk with those auditors about the real state of the of the Canadian Commercial Bank?

Hon. Barbara McDougall (Minister of State (Finance)): Mr. Speaker, the auditors of a bank report to the shareholders. The parliamentary committee looked into that to a very considerable extent. The monitors were in from the Inspector General's office through the spring. We were watching the situation very carefully with our own people and through our officials. We sent in bank examiners and private sector people to take a look at that bank, and we took the most responsible action of any Government in response to a situation which was created long before our time.