

My question is: Did the participation agreement include provisions relating to the administration of the portfolio by the CCB? Were there reports made by the CCB to the Support Group? If so, can we see them? Were there any directions given by the Support Group to the CCB with respect to the administration of the portfolio? If so, can we see them?

Also outlined on page 8 is a paragraph relating to indemnification, which does deal with the question of insolvency. It is the only paragraph in the Memorandum of Intent that actually refers to the possibility of the insolvency that eventually did develop. In that clause is mentioned section 277 of the Bank Act, which is the first section in Part XI of the act dealing with insolvency. It is stated in the Memorandum of Intent that, in the event of insolvency or the winding up of the CCB, any amount remaining unpaid shall constitute indebtedness of the CCB to the members of the Support Group. There is no question but that it does constitute indebtedness. I would like to know what position the government is taking on the ranking of that indebtedness with reference to other indebtedness on the insolvency.

The final paragraph in the Memorandum of Intent deals with the choice of law, which does not give rise to any questions.

Dealing with the bill itself, I draw to the attention of the Leader of the Government subclause 2(2):

(2) The Minister of State (Finance) may, for the purpose of carrying out the terms of an agreement entered into under subsection (1),

(a) acquire, hold or dispose of participation certificates in a portfolio of assets of the Canadian Commercial Bank comprising loans and securities relating thereto;—

Was there any such acquisition?

(b) acquire, hold or dispose of transferable rights or warrants to purchase common shares of the Canadian Commercial Bank;—

Did the minister, on behalf of Canada, make any such acquisitions?

(c) acquire, hold or dispose of bank debentures issued by the Canadian Commercial Bank;—

Again, was there any such acquisition?

(d) enter into any agreement or arrangement necessary or incidental to any activity referred to in paragraph (a), (b) or (c) or enter into any agreement or arrangement in order to comply with conditions set out in the Memorandum of Intent referred to in subsection (1).

My final request for information is this: What agreements were entered into in accordance with the provisions of the Memorandum of Intent? Were there any other agreements entered into under subclause 2.(2)(b)? If so, may we see them?

Hon. Duff Roblin (Leader of the Government): Honourable senators, I thank my friend for informing me in advance that he had a series of questions. Indeed, he has a series of

[Senator Frith.]

questions. He obviously has been doing his homework. I have to tell him, though, as I think he himself intimated, that these are really not the type of questions that can be answered in an oral question period. He is correct in that assumption. I think it would be best for me to accept those questions as an order for return. That would be the appropriate way to deal with them. My only caveat is that, in some of the agreements in the bill, there may have been undertakings given to third parties that involve confidentiality. I have no means of knowing that at the present time. I hope there are none because I would like to give as complete an answer as I can to my honourable friend.

COLLAPSE OF CANADIAN COMMERCIAL BANK—ROLE OF INDEPENDENT AUDITORS

Hon. Ian Sinclair: Honourable senators, my question is for the Leader of the Government in the Senate. In view of the great deal of interest that has been expressed about the problems of the CCB, could he inform this chamber whether the provisions of the Bank Act with regard to the interrelations between the Inspector General and the independent auditors of the bank were discussed? What took place? Did the independent auditors undertake any work for the Inspector General in accordance with the provisions of the Bank Act? I am not asking for their reports. I am asking whether there was any work undertaken by the independent auditors on behalf of the Inspector General.

Hon. Duff Roblin (Leader of the Government): Honourable senators, I will have to ask my honourable friend to keep those questions in his brief, because I fully expect that he will be able to ask them during the committee hearing. I have to tell him that, frankly, I do not know the answers. I believe the committee is the place to find them.

Senator Sinclair: Am I correct that it is the duty of the government to maintain an efficient and effective civil service? Is that a correct assumption?

Senator Roblin: Honourable senators, from my honourable friend's long experience in both public and private affairs, I am sure he understands well the duties of management.

Senator Sinclair: In view of the fact that the Leader of the Government does agree that it is their duty, I wonder if he can assist honourable senators by telling us and the public whether one group of civil servants are more to be followed than another. If one is an inspector of banks, does one receive more credence than if one were an inspector of fish?

Senator Roblin: Honourable senators, all I can say is that I am very glad that I am neither an inspector of fish nor an inspector of banks.

FISHERIES AND OCEANS

CANNED TUNA UNFIT FOR HUMAN CONSUMPTION—SUGGESTED METHOD OF DISPOSAL

Hon. Philippe Deane Gigantès: Honourable senators, I have two unrelated questions to address to the Leader of the