I would also like to raise another question, and this will bring me to the subject of my motion, the Northland Bank. On March 29th, in this House, an Opposition member from the NDP asked the Minister if other financial institutions might face difficulties. Referring to page 3513 of the Debates of March 29th, 1985, and I have here before me the English text, here is the answer given by the Minister of State for Finance:

• (2140)

[*English*]

Mr. Chairman, this situation was caused by an isolated incident. There are no other financial institutions in the country at the moment that are appearing to be insolvent in any way.

[*Translation*]

This was on March 29th, 1985, the very day that Western Capital ended its operations.

At the time we were told, on March 29, that there were no . . . and here are the words used—

[*English*]

The words that are being used are pretty clear:

There are no other financial institutions in the country at the moment that are appearing to be insolvent in any way.

[*Translation*]

And thus on the strength of the Minister's comments, having faith in the figures we were given concerning the Canadian Commercial Bank, accepting as true and verified the facts reported in this House, we supported the bail-out package on behalf of the Canadian Commercial Bank. But because of this Government's incompetence, we came to be faced on September 1st with another statement that flew in the face of what the Minister had told us. I am now referring to a press release issued on September 1st: "The Minister of State for Finance, the Hon. Barbara McDougall, today announced that the Inspector General of banks has informed her and the Minister of Finance that the Canadian Commercial Bank and the Northland Bank are no longer viable and cannot honour their commitments falling due".

Mr. Speaker, this is indeed a very serious situation when a Cabinet Minister rises from her seat and states that no other financial institution appears—let alone is—to be in difficulty, but a few months later, CCB and Northland are bundled up in the same basket. I submit that precisely by doing this, the Government of Canada, the Minister of Finance, the Minister of State for Finance had signed the death warrant of a financial institution. A financial institution, Mr. Speaker, for which, according to information published recently in the *Financial Post*, a trustee was appointed and a liquidation order applied for. That is what the press release told us on September 1st. We were told that an application had been filed for the liquidation of a financial institution about which the following figures were published in the *Financial Post*:

[*English*]

For the three months ended January 31, 1985, net income was up 24 per cent to $777,000 or 72 cents per share—

For the year ended October 31, 1984, net income rose to $3,347,000—

[*Translation*]

Mr. Speaker, putting in the same bag a financial institution called the CCB and the Northland Bank doomed the second institution. During the long debate which has taken place in this House throughout September on the banking affair and the tainted tuna affair, we always come back to the same issue, namely credibility. How can we believe a Minister who stated that the CCB would be saved with $255 million? How can we now believe a Minister who, a few days later, said that no financial institution seemed to be in trouble? How can we believe a Minister who tells us that the whole bail-out operation was effected in close co-operation with the banking sector when the newspapers are full of statements by bankers who appeared before the Finance Committee and said that they had accepted this operation only because their arm had been twisted nearly out of its socket?

We asked the Minister to examine the assets of the CCB. This was refused. We asked the Minister to appoint qualified administrators to replace a management who had lost the confidence of the financial sector. This was refused. Today, during the oral question period, my colleagues and myself were told that no one had been found. Yet, one after the other, the bankers informed us that they had provided the Minister with the names of qualified people, of respected retired bankers who would have accepted such responsibilities.

Mr. Speaker, how can we believe a Minister who says that she is working tirelessly to save the Northland Bank when, in Calgary, the president of this same institution gives a press conference to inform the public that, before it is too late, he wants to state publicly that he has taken position against a Government whose mismanagement will cause the bank to close?

Mr. Speaker, we are certainly faced with a question of credibility. When I look at this whole operation, I say to myself: Here are two institutions, one worth $3 billion, or $2.7 billion, and one worth $1 billion. The one with assets of $3 billion has already been loaned $1.3 billion by the Bank of Canada. However, we were told in committee, Mr. Speaker, that the $1.3 billion were guaranteed by assets worth $1.8 billion. In an institution worth $2.7 billion, this means a difference of $1 billion, I wonder how come, in view of the direction it took earlier, the Governement is now asking the taxpayers to pay out $1 billion when there will no longer be any bank in Western Canada. Borrowers will continue to have problems for months and even years before that problem is solved.