

Oral Questions

Any contingency plans, safety measures, or requirement on the company to provide guarantees that the best possible technology is used and the best possible plans are in place to mitigate against such disasters are part of the licensing and the approval arrangement. Every possible precaution is being taken.

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, I thank the acting minister, the Minister of Forestry.

That is the answer in front of him. He read it well, but the reality is something different. The reality is that a report today by the Canadian Independent Petroleum Association says that we are at risk out there.

There is a rig out there doing wildcat exploration and nothing out there to drill a relief well in the event of a blow out.

I am asking the minister not to hide behind the licensing regulations. I am asking him what he is going to do if the worse comes to worse today, and our fishing grounds are at risk and we have a wholesale, environmental and economic mess on our hands. What then? That letter he just read from? What action will the government take in that case? What action is it taking now to prevent that from happening?

Hon. Frank Oberle (Minister of Forestry): Mr. Speaker, I did not read from any letter. I just read from a document that is a press release from which I assume the hon. member got his information.

Mr. Simmons: No. I wrote the minister a week ago.

Mr. Oberle: My information stems from the regulations, the guidelines and the procedures that are in place, agreed to by the industry to mitigate against such potential disaster.

What the hon. member wants to take into consideration is that we still consider offshore development as one of the major initiatives of this government, in co-operation with the Atlantic provinces, one that has the potential to significantly improve the economy of that area. If the hon. member would suggest that we shut down all of these developments in that area to eliminate absolutely all the risks that are always associated with situations like that, then let him say so.

Mr. Speaker: The hon. member for Willowdale. Keeping in mind the time I would ask that the questions be direct.

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[*Translation*]

FINANCIAL INSTITUTIONS

Mr. Jim Peterson (Willowdale): Mr. Speaker, the Minister of State told the House, "We follow the guidelines." But, Mr. Speaker, he followed only four of the nine guidelines. My question is: How many other foreign banking companies will you license and give the special treatment you gave to American Express?

Hon. Gilles Loiselle (Minister of State (Finance)): Mr. Speaker, I would like to repeat that we have not given American Express special treatment. For three years we discussed with them how to bring them under the rules governing banks in Canada. We are dealing here with a company that is already in Canada, is 90 per cent in the financial sector and competes with our banks but is completely unregulated. We thought that if there were a way to bring them under our rules, we could do so. And we had discussions with them for three years. We set guidelines. We asked them to withdraw from some sectors and we have now solved this problem under the Bank Act.

Mr. Speaker: A very, very short supplementary question.

[*English*]

Mr. Jim Peterson (Willowdale): Mr. Speaker, we have this problem for American Express, but let us get specific. There are other companies doing business in Canada that are in the same position as American Express, major financial institutions such as GMAC, General Electric, Sears-Roebuck and Ford Credit.

• (1500)

What is the minister going to say when these companies come knocking on his door and ask for the same treatment that American Express got? Is he going to say: "Welcome, you don't meet our guidelines but neither did American Express"? Or, is he going to say: "I am sorry, the door is closed. We admit now that we made a one-time sweetheart deal for American Express, the special friend of the Mulroney government"?