

An Hon. Member: You liar. You liar.

● (1805)

Mr. Simmons: Madam Speaker, I was here when the voting began.

Some Hon. Members: Oh, oh!

Mr. Andre: Privilege, Madam Speaker—

Mr. Simmons: Madam Speaker, I was not here—

An Hon. Member: You are a liar.

Mr. Simmons: Hold it, guys. You might learn something.

An Hon. Member: Not from you!

Mr. Simmons: I was not here when the bells stopped ringing, but I am here now, unlike 50 Tories.

Madam Speaker: That is not the question that I asked the Hon. Member. I asked the Hon. Member whether he was in the House when the voting proceedings started. In other words, did he enter the House after the question was put?

Mr. Simmons: No, Madam Speaker, I was not in the House when the question was put.

Mr. Andre: Liar!

Some Hon. Members: Oh, oh!

Madam Speaker: The Hon. Member for Calgary Centre.

Mr. Andre: Madam Speaker, obviously I withdraw that remark. I misheard what the Hon. Member said.

[Translation]

Madam Speaker: Since the Hon. Member was not in the House at the beginning of the voting proceedings, I have to ask that his name be removed from the list of voting Members.

[English]

The motion is carried.

Motion agreed to.

PROCEEDINGS ON ADJOURNMENT MOTION

[English]

A motion to adjourn the House under Standing Order 45 deemed to have been moved.

Adjournment Debate

TRUST COMPANIES—GOVERNMENT'S RESPONSIBILITY FOR
MORTGAGE COMPANIES. (B) QUERY RESPECTING
GOVERNMENT'S ACTIONS

Mr. Don Blenkarn (Mississauga South): Madam Speaker, on February 8 I again raised questions with respect to the Greymac Mortgage Company and Seaway Mortgage Company fiasco. This is clearly within the responsibility of the Government. The Parliamentary Secretary to the Minister of Finance (Mr. Fisher) advised the House a week ago that the Government was aware, on or before March 31, 1982, that Greymac Mortgage Company and Seaway Mortgage Company were both in default under the Loan and Trust Companies Acts, that they were not managing their affairs properly under those Acts and that the Government had put those two corporations on what he said was a short leash. Indeed, they were advised that their licences would only be extended for a two-month period and they were put under severe restrictions with respect to their investment activities.

Clearly, more had to be done than that. The Government knew that these corporations were associated with two trust companies, both licensed under the Province of Ontario, being Seaway Trust Company and Greymac Trust Company. The Government had an obligation to advise the Province of Ontario, through the loan and trust company people operating trust company affairs in that Province, of what it knew about the mortgage corporations.

I asked the Minister whether he would make a statement on motions to tell the House what he knew and what he had told his counterpart in the Province of Ontario. The Minister made fun of that suggestion. He said that somewhere along the line he had Conservatives fighting with Conservatives. I do not think there is anything funny or any fight about Conservatism with respect to the matter.

● (1810)

The situation is that the Government is responsible for the maintenance of a sound financial system in the country. The Government is further responsible under the management of the Canada Deposit Insurance Corporation to ensure that member companies licensed under that arrangement comply with sound business practices and sound financial requirements under the Canada Deposit Insurance Corporation Act.

Clearly the Government acted as a sleeping policeman. Clearly the Government had some sort of idea that the honest principals behind Greymac and Seaway would do something right. It continued to let Greymac and Seaway operate as mortgage corporations, licensed and permitted to operate under the umbrella protection of Canada Deposit Insurance Corporation. It continued to let them operate under the Loan Companies and Trust Companies Acts. It made no effort to terminate their arrangements in the Province of Ontario. Indeed, with respect to Greymac, the Government allowed the principals in Greymac to become involved in a third trust company, Crown Trust, in September 1982, without doing anything about it, without blowing the whistle, without calling a halt.