

*Oral Questions*

is only from the point of view that the banks may become insolvent because they have to repay all this money to the farmers. The Inspector General has no power to require the banks to stop charging this \$500 fee to farmers for looking at their accounts.

If the Minister cannot get the co-operation of the banks, is he prepared to bring in legislation which would require the banks to provide this information to farmers? Many farmers are facing the loss of their farms because the banks have overcharged them.

**Hon. Tom Hockin (Minister of State (Finance)):** Mr. Speaker, my answer is the same as it was to the first question. I will look into whether the banks are making such a charge. If they are, we will look at the circumstances. However, I have to remind the Hon. Member that these cases have gone different ways in the courts. The floating rate has been sustained in some instances and a fixed rate in others. The best way to pursue this is of course through the court system, farmer by farmer, individual by individual. They should have the information necessary to pursue that route and I hope the banks will co-operate.

\* \* \*

[Translation]

### SUPPLY AND SERVICES

#### OBJECTIVE AND SCOPE OF INQUIRY

**Mr. John R. Rodriguez (Nickel Belt):** Mr. Speaker, my question is directed to the Minister of Supply and Services.

Yesterday, the Minister said in the House that she had ordered an inquiry to investigate the activities of the Advertising Management Group in her Department. Could the Minister inform the House what activities and which individuals this inquiry will investigate? And will she table in the House the terms of reference of the inquiries so that Canadians will know what is going on?

**Hon. Monique Vézina (Minister of Supply and Services):** Mr. Speaker, it is true that yesterday I announced the Department would be conducting an inquiry to investigate allegations of a conflict of interest on the part of Mr. Péloquin. I have asked for an inquiry that will evaluate the legal aspects of the allegations of conflict of interest.

[English]

#### QUERY CONCERNING TERMS OF REFERENCE

**Mr. John R. Rodriguez (Nickel Belt):** Mr. Speaker, I will now try it in English. The Minister announced the inquiry yesterday. Will she tell this House who is going to be conducting the inquiry and what its terms of reference are? What is she investigating? What is she inquiring into? I want her to let us in on this inquiry so that all Canadians can be aware of what is going on in her Department.

[Translation]

**Hon. Monique Vézina (Minister of Supply and Services):** Mr. Speaker, first of all, I would like to set the record straight. Mr. Jean Péloquin is not a public servant but a consultant hired under contract on an annual basis. He was a member of an advertising management group which, as I have said several times before, has done fantastic work by cutting costs and restoring the competitive aspect of this sector.

Indigo is a production, not an advertising firm. The Advertising Management Group's mandate was to advise the Government on advertising proposals, not on production.

I just said that an inquiry has been ordered in my Department to evaluate the legal aspects. If necessary, once this inquiry has been completed, I will expand the inquiry's terms of reference and order an internal inquiry, because I think it is important for people in the Department to know how to work with the extremely effective system introduced by this Government.

• (1430)

[English]

#### MINISTER'S POSITION

**Mr. John R. Rodriguez (Nickel Belt):** Mr. Speaker, yesterday in this House the Minister said that she was dismantling a patronage system and that it is an honest process. Yet, outside the House she said:

[Translation]

If you had to advertise yourself, wouldn't you give the job to a friend whom you could trust to get your message across? I would.

[English]

In other words, if you want somebody to promote you, you would choose your friends. "I would", the Minister said. It appears that patronage is alive and well. Would the Minister not agree that her contradictory remarks, those made in this House and those made outside, are indications that the patronage system is still alive and well in the Conservative Government?

[Translation]

**Hon. Monique Vézina (Minister of Supply and Services):** The greatest challenge to this Government has been to restore the confidence of Canadians by getting the economy back on track and renewing the desire of Canadians to work together. I am sure that after this inquiry we will be able to work in complete confidence, because I have confidence in my staff and in their desire to work with the private sector, because we in the Government know that we must be able to trust the people with whom we work, and we will always work with people we can trust.

**Mr. Boudria:** Thanks to her last "joke", Mr. Speaker, we can appreciate the Minister's sense of humour.