

Oral Questions

[English]

GOVERNMENT APPOINTMENTS

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, the Liberals in the red book promised to wipe out patronage appointments and bring integrity to government. Word now comes from British Columbia that at least three legal firms with no previous prosecution experience have been awarded standing contracts to act on behalf of the crown in putting criminals behind bars.

• (1435)

Since the government is so fond of citing the merit principle whenever it becomes clear we are really talking about the patronage principle, could the Minister of Justice explain the merit in handing over the responsibility for prosecuting criminals to law firms with absolutely no experience in that field?

Mr. Russell MacLellan (Parliamentary Secretary to Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, it is very difficult to answer a question when we do not know what the case was and we do not know who the law firms were. All we know is there was work supplied by the Department of Justice.

Contracts by the Department of Justice are given very carefully with a great deal of forethought, and all the firms with which the Department of Justice does business are very competent in the field in which they are to be working.

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, the parliamentary secretary might be interested that all three law firms in question have absolute Liberal pedigrees.

The law firm partner James Hutchison happens to be the president of the revenue minister's Victoria riding association. Another contract was given to David Mulroney who happens to be the vice-president of the minister's Liberal association.

In light of the Liberals' promise to wipe out patronage appointments and bring integrity to government, why has the justice department failed to deliver on this important promise?

Mr. Russell MacLellan (Parliamentary Secretary to Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I think the hon. member is saying that because the Liberal Party was able to associate itself with very competent people during the election campaign and so many throughout Canada, as the popular vote would indicate, there will be quite a few of them who are Liberals.

That person is a Liberal certainly does not discount them from being a capable lawyer. If we were to discount all the capable

lawyers who are Liberals we would have a difficult time in awarding contracts.

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[Translation]

CANADIAN NATIONAL RAILWAYS

Mr. Paul Mercier (Blainville—Deux-Montagnes, BQ): Mr. Speaker, my question is for the Minister of Transport.

In reply to the question I asked him on May 18, the minister said that the sale of CN would be conducted in the best interests of taxpayers. But, this morning, it has come to light that, in the sole interest of reducing CN's debt, Ottawa will be sinking anywhere from \$400 to \$600 million into the purchase of CN buildings for which taxpayers have already paid.

How can the Minister of Transport claim that the government is acting in the Canadian public's best interests by acquiring CN property, when the sole purpose of this operation is to meet the liquidator's condition that CN's debt be artificially reduced to make its balance sheet more attractive, to—

The Speaker: Dear colleagues, I am finding today's questions somewhat long and would ask you to be a little briefer.

The Minister of Transport has the floor.

[English]

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, the question of the commercialization of CN is very complex.

I know the hon. member has had the opportunity to sit in committee and listen to people we consider to be as expert in this area as anyone in the country, who try to explain the need to provide an opportunity for CN to be sold in a viable way, to elicit enough investment interest to carry the issue to be put out this fall, but also to allow it to continue to compete on an equitable footing with Canadian Pacific.

The hon. member knows representatives of the competitor of CN, CP, have gone before the committee and explained they understand the need to have a reasonable debt-equity ratio, that we have to qualify for a triple B bond rating in order to raise funds on the investment market to operate CN and provide money for the acquisition.

• (1440)

I know it is a complex piece of business. I can only encourage the hon. member to take the word of the Minister of Transport and the government and also to listen to the people who understand the business principles involved in the commercialization of CN. It is in the best interest of taxpayers, the best interest of shippers and the best interest of competition that we are trying to do the best job we can.