

Oral Questions

Under the new provisions a 7 per cent sales tax will be refunded. There is a whole host of items upon which the GST is applied, such as hydraulic jacks, post hole awls, barbed wire, fertilizer and chemicals. All those things will be exempt.

Some hon. members: Hear, hear!

* * *

PRESENCE IN THE GALLERY

Mr. Speaker: I wish to draw to the attention of members the presence in the gallery of the hon. John Reynolds, Minister of Environment for the province of British Columbia.

Some hon. members: Hear, hear!

Mr. Speaker: Also I wish to draw to the attention of members the presence in the gallery of Mr. Rostyslav Bratun, People's Deputy of the Supreme Soviet of the U.S.S.R. and member of the Committee on Foreign Liaison.

Some hon. members: Hear, hear!

* * *

CROWN CORPORATIONS

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, my question is for the Minister of Transport. As every reader of *Seaports and the Shipping World* knows, CN has been one of the regular advertisers in a document which is produced by Gallery Publications owned by Mr. Brian Gallery who is also a member of the board of Canadian National.

• (1440)

The minister commented earlier that he is to investigate, but given the fact that there has been an ongoing financial relationship between CN and Gallery Publications for a number of years since Mr. Gallery became a member of CN, will he take his responsibilities under the Canadian National Railways Act and remove Mr. Gallery from the board?

[Translation]

Hon. Benoît Bouchard (Minister of Transport): Mr. Speaker, I want to reiterate what I said earlier. I did not say I would investigate. I said I read the allegations in the *Globe and Mail*. I also said that I had asked the corporation's chairman to report to me and that I will take action depending on the report I will get from him. That is what I said and what I am repeating.

[English]

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, I am sure that the Minister of Transport is aware that Section 117 of the Financial Administration Act requires directors of Crown corporations to declare their interests in a contract with the corporation or risk it being declared void.

I want to know if Mr. Gallery declared his interest in the contract for advertising to CN and, if not, will the minister remove him from the board of directors?

[Translation]

Hon. Benoît Bouchard (Minister of Transport): Mr. Speaker, once again, CN is a Crown corporation headed by a board of directors and, when a Crown corporation is the subject of allegations, it is customary for the Minister responsible to ask the chairman of the board to report on these allegations. That is what I said and what I will repeat over and over again in answer to questions that are all the same, Mr. Speaker.

* * *

[English]

CHARITABLE ORGANIZATIONS

Mr. Stan Wilbee (Delta): Mr. Speaker, my question today is for the Minister of National Revenue.

Over the last year or so we have seen some very serious allegations, as well as some outright violations of the rules and regulations governing charitable organizations in Canada. The current climate has seriously damaged the reputation of charities in general but would also suggest to us that perhaps the government may no longer be able to monitor and control the activities effectively.

What is the minister doing to clean up this situation which has such a negative impact on charities and the excellent work that they are doing across Canada?

Hon. Otto Jelinek (Minister of National Revenue): Mr. Speaker, as the hon. member knows, there are some 60,000 charitable organizations across this country, the great majority of which are very legitimate organizations and benefit society as a whole tremendously.

The hon. member is correct in saying that over the past months and the past couple of years there has been a few who have taken advantage of some loopholes and have abused the system at the expense of the majority of the others. Therefore, as recently as last November, I