

contract to a company that will save the taxpayers half a million dollars a year, I am going to do it.

Some Hon. Members: Hear, hear!

UNTENDERED CONTRACT

Mr. Ian Deans (Hamilton Mountain): Mr. Speaker, my question is also directed to the Prime Minister. Does the Prime Minister believe that it is appropriate for the relative of a Cabinet Minister to receive benefits from an untendered contract?

Hon. Harvie Andre (Minister of Supply and Services): Mr. Speaker, I have tried to explain to members of the New Democratic Party on at least five or six occasions the nature of the advertising agency business in this country. I repeat that we selected Lawson Murray because it is known to us—

An Hon. Member: It sure is.

Some Hon. Members: Hear, hear!

Mr. Andre: Absolutely. The firm is known to us. It has our trust because—

Some Hon. Members: Hear, hear!

Mr. Andre:—it is an expert in this field. The firm demonstrated the wisdom of our decision by coming up with savings of at least a half million dollars a year, and I repeat, I will always sign those kinds of contracts.

BENEFIT FROM CONTRACT

Mr. Ian Deans (Hamilton Mountain): Mr. Speaker, my supplementary question is directed to the Prime Minister. Is it the opinion of the Prime Minister that it is appropriate for the relative of a Cabinet Minister to receive benefit from an untendered contract with the Government?

Hon. Harvie Andre (Minister of Supply and Services): Mr. Speaker, we wanted—

Mr. Benjamin: We want Brian!

Mr. Andre: The guidelines indicate—

Mr. Deans: How about getting your boss to answer for a change?

Mr. Andre: Because—

Mr. Deans: Is he afraid to answer? Is he afraid of the answer?

Mr. Andre: Mr. Speaker—

Mr. Speaker: Order, please. If the House would like to hear the answer, it will come to order.

Oral Questions

Mr. Andre: Mr. Speaker, as Minister of Supply and Services I am responsible for contracting for some \$7 billion worth of goods and services each year.

Mr. Deans: Then he should fire you.

Some Hon. Members: Oh, oh!

Mr. Andre: As the Minister responsible, it is up to me to ensure that all guidelines respecting conflict of interest are satisfied. I assured myself that all guidelines were satisfied. I repeat, I think it was a great contract. I would do it again tomorrow if the opportunity came up.

MINISTER'S CONVERSATION

Mr. John Nunziata (York South-Weston): Mr. Speaker, my question is directed to the Minister of Finance, the man the Prime Minister says has great and unimpeachable integrity. Yesterday the Prime Minister stated in the House that not only must Cabinet Ministers avoid conflicts of interest, they must avoid the appearance of conflicts of interest. I would like to ask the Minister of Finance, first, whether or not he agrees with that statement, and second, after having discussed the contract with his brother-in-law before it was signed, why did he, as a man of integrity, not veto the contract and avoid any impression of a conflict of interest?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, let me make it very clear. The contract was awarded before I spoke to my brother-in-law. He advised me after he got the business. He said that he did not think we needed to do this business and that he did not think it was a cost-effective use of funds. I asked him to give me his advice on this matter. He subsequently wrote to the Bank of Canada on February 11 indicating that this was not business the Government should be doing. On that basis we let the business lapse and, as my colleague has indicated, we have saved somewhere between \$400,000 and \$600,000 a year.

PRIME MINISTER'S POSITION

Mr. John Nunziata (York South-Weston): Mr. Speaker, how can the Minister of Finance and the Prime Minister continue to defend sleazy, slimy, Tory patronage when they campaigned so vigorously against patronage in the last election campaign? Let us be straight with the Canadian public. Given the fact that the contract went to the Finance Minister's brother-in-law, would the Prime Minister not agree that there is the appearance of a conflict of interest, or at least a very small appearance of a conflict of interest?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I noticed one day that the Hon. Member was, (a) described as a member of the Liberal rat pack which, (b), often embarrassed the Leader of the Liberal Party. I can see why *The Toronto Star* for once was right on both counts.

Some Hon. Members: Hear, hear!