

*Oral Questions*

not consulted. The tenth Province, Ontario, is saying that it would consider joining the others in a constitutional challenge.

What does the Government propose to do now, bearing in mind that the Ontario-Ottawa agreement is set to take effect on June 30? Will the Deputy Prime Minister make a statement on motions today to clarify the Government's intentions?

**Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council):** Mr. Speaker, in reply to the question, I am advised by the Minister of State for Finance, who is away on government business, that the understanding reached with Ontario in April is a working arrangement in the regulation of securities activities in that province as it pertains to federally regulated institutions.

The federal Government has made it very clear that it has no intention of imposing any such arrangement on any other province unless it is otherwise agreed to.

There was some disagreement with the approach taken, I understand, at the meeting yesterday. However, the Minister of State for Finance has indicated a clear willingness to sit down and work this through with the provinces. He is prepared to meet with them at any time to try to work out a satisfactory arrangement to allow the federal Government and the provinces to work together in reaching agreements on this very important matter.

**Miss Nicholson (Trinity):** The Government is again being overtaken by events, because many large foreign investment houses are moving into Canada, including one which has assets more than double the entire assets of all financial institutions in Canada.

**Mr. Garneau:** That is the problem. We have raised it many times.

## MINISTER'S POSITION

**Miss Aileen Nicholson (Trinity):** Mr. Speaker, the Minister of State for Finance had said that he expected the agreement with Ontario to be a model which the other provinces would follow. In response to their objections, he is now quoted as saying that he will not be "ambushed" by provincial "ultimatums".

I appreciate that the Deputy Prime Minister has been sounding much more conciliatory. Is the Deputy Prime Minister saying that the Minister of State for Finance was misquoted?

**Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council):** Mr. Speaker, I am not saying that at all. I talked with the Minister of State for Finance last night, and he indicated to me in a telephone conversation that he in no way wanted to impose the Ontario agreement on other provinces.

He is ready and willing to sit down with each of the provinces to work out a satisfactory arrangement. In view of the fact that Ontario had taken the initiative in bringing this

proposition to the federal Government—and it was agreed upon—it was assumed that that could very well serve as a model.

Obviously there are some differences of opinion in that regard. I think I can assure the Hon. Member that this matter can be proceeded with in a conciliatory and co-operative way. That is certainly the intention of the Minister.

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## GOVERNMENT EXPENDITURES

## EXPENDITURES MADE ON BEHALF OF WASHINGTON EMBASSY OFFICIAL

**Mr. Rod Murphy (Churchill):** Mr. Speaker, my question is also for the Deputy Prime Minister. As he is now aware, the Prime Minister's Director of Communications, Mr. Bruce Phillips, spent over \$80,000 on various services when he was representing Canada in Washington.

According to the access to information legislation, he was provided by taxpayers with a 4,491-square foot home which included a bomb shelter, a pool, and a music room. In addition, \$21,000 was spent on crystal, china, flatware, small appliances, and a vacuum cleaner. An additional \$28,000 was spent on furniture. He was also given his firewood free of charge. He had his bedspread cleaned. A security system was installed and his food processor was repaired—

**Some Hon. Members:** Order!

**Mr. Speaker:** The Hon. Member has a fascinating list, but he should put his question.

**Mr. Murphy:** I apologize that the list is so long; I hope the Government does too.

Could the Deputy Prime Minister explain which of these services were essential and how they helped the Government fight the deficit?

**Mr. Nystrom:** Tory times are tough times, Don.

**Hon. Pat Carney (Minister for International Trade):** Mr. Speaker, the issue about the house provided for Mr. Phillips when he was appointed to Washington has been raised by the Hon. Member. I can simply state that the services provided in the acquisition of the house are fully consistent with the practices—

**Mr. Broadbent:** Of the Government.

**Miss Carney:** —for that particular class of post.

**Some Hon. Members:** Oh, oh!

**Miss Carney:** I can assure him that the costs involved are—

**Mr. Rossi:** Go back to Disney World.