

Oral Questions

When the Minister of Fisheries and Oceans said "we will be opposing that recommendation when it reaches the GATT council", was he speaking for the Government of Canada?

Hon. Pat Carney (Minister for International Trade): Mr. Speaker, I think I should correct the Hon. Member. The reason we did not want it released to the public was to enable us, in the normal course of our work before GATT rulings, to work out a situation which would protect the rights of all in the fishing industry. That is why we did not want it public. If the Hon. Member wants to wave it around in public and jeopardize the fishing industry, that is his concern, not ours.

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HOUSE OF COMMONS

PRESENCE IN GALLERY OF PRINCE EDWARD ISLAND MINISTER OF REGIONAL DEVELOPMENT

Mr. Speaker: I want to bring to the attention of Hon. Members, and I apologize for not knowing of this sooner, the presence in the gallery of the Hon. Leonce Bernard, Minister of Regional Development for the Province of Prince Edward Island.

Some Hon. Members: Hear, hear!

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CANADA LANDS COMPANY

CONDUCT OF OPERATIONS

Hon. Bob Kaplan (York Centre): Mr. Speaker, my question is for the Deputy Prime Minister and relates to the Prime Minister's over-all responsibility for the conduct of Ministers. We have been raising questions relating to the scandalous events involving the Canada Lands Company at Mirabel and they are not contradicted.

Earlier in Question Period my colleague, the Member for Glengarry—Prescott—Russell, raised a list of concerns. The Minister for Public Works indicated that he had a report of the Auditor General which, in his opinion, indicated approval of the way in which that corporation has been operating.

The Deputy Prime Minister heard all that. Does he approve of the way in which the Canada Lands Company at Mirabel has been operated as revealed in recent stories and by the audit of the Auditor General?

Hon. Stewart McInnes (Minister of Public Works): Mr. Speaker, the report of the Auditor General makes only one adverse comment about the operation of the corporation, that

is concerning the composition of the board of directors. We have taken steps to fix that.

Indeed, I thought that management practices were inadequate and that appropriate controls were not in place. For that reason we commissioned an audit by the audit team of Public Works. The response has been that there is indeed a need to tighten up management practices. However, with regard to wrongdoing, the audit division found that there was absolutely none.

GOVERNMENT POSITION

Hon. Bob Kaplan (York Centre): Mr. Speaker, my supplementary question is directed to the Deputy Prime Minister. We know that the Minister of Public Works is defending and approving in general the way in which this corporation is operated. However, does the Deputy Prime Minister approve of this method of doing business?

● (1450)

Hon. Stewart McInnes (Minister of Public Works): Mr. Speaker, the Auditor General, who has had the opportunity to review the books, makes no adverse comment except with respect to the composition of the board of directors, and surely that gives us an insight as to whether or not the practices are appropriate.

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TAX REFORM

PROPOSED BUSINESS TRANSFER TAX—EFFECT ON MUNICIPALITIES AND SCHOOL BOARDS

Mr. John A. MacDougall (Timiskaming): Mr. Speaker, my question is directed to the Minister of State for Finance.

In the discussion paper on tax reform brought in by the Minister of Finance earlier this year, municipalities and school boards had a great deal of concern about the business transfer tax that could increase their costs up to 10 per cent.

Will the Minister tell the House and the municipalities and school boards across the country whether or not this tax is going forward?

Hon. Tom Hockin (Minister of State (Finance)): Mr. Speaker, we know that considerable progress is being made to bring about a national federal-provincial sales tax. Good progress is being accomplished.

I am very pleased to tell the Hon. Member that last week the Minister of Finance made it very clear that municipalities, universities, school boards, and hospitals will pay no more federal sales tax after the reform than they do now.