taxpayers' dollars is not funny, I tell the Minister of Consumer and Corporate Affairs. I have a question for around the Minister of Transport. I would like to ask him the

the Minister of Transport. I would like to ask him the following: I have in hand a copy of an internal memo signed by Mr. Glen Shortliffe, whom I believe to be a deputy minister, dated April 28, the day after the Budget, which says:

Agreement in principle has been reached with Campeau Corporation to renew the current leasing agreement for our Tower C premises—

Given that this document was sent the morning after the Budget, can the Minister of Transport tell us how it is that it could renew the lease for 560,000 square feet of office space overnight? Is that not a bit much, even for the Tory Party rewarding its friends?

Hon. Elmer MacKay (Minister of Public Works): Mr. Speaker, I can assure my colleague that this particular lease that he refers to as being renewed overnight was not renewed overnight. There were negotiations late in April which resulted in considerable savings for this particular building.

An Hon. Member: For the Budget.

[Translation]

REOUEST FOR EXPLANATIONS

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I have a supplementary for the Minister of Finance. In light of the answer we were just given by his colleague the Minister of Public Works to the effect that his department had begun negotiations with Campeau Corporation even before the Budget was printed and before it was announced, how are Canadians to know whether Mr. Campeau or the Minister of Public Works had prior knowledge? In addition, can the Minister of Finance tell the House why, referring to restraints on page 26 of his Budget Papers, he states that the project was cancelled to save \$200 million? How can he save \$200 million, as he suggests, when the proposed building costs more than the new lease. Why claim he is saving money when he actually spends more?

[English]

Hon. Elmer MacKay (Minister of Public Works): Mr. Speaker, I am surprised to see my colleague drawing such unwarranted conclusions from this particular—

Mr. Boudria: It was your answer.

Oral Ouestions

Mr. MacKay: Mr. Speaker, my colleague has been around this House long enough to know, surely, that when negotiations are going on they are always subject to approval by Treasury Board. This particular matter does not involve, as he is trying to suggest, any sort of budgetary leak or any of these wild conclusions. This is just simply normal negotiations with respect to the Department of Public Works.

EXTERNAL AFFAIRS

DRIFT-NET FISHING-AGREEMENT WITH JAPANESE

Mr. David D. Stupich (Nanaimo—Cowichan): Mr. Speaker, I have a question for the Right Hon. Secretary of State for External Affairs. Canadians know the damage caused by drift–net fishery. In 1987, we cancelled our own experimental drift–net fishery because it proved to be an environmental disaster.

In spite of that, Canada has entered into an agreement with Japan that provides for the expansion northward of the drift-net fishing. Does the Minister agree that this will mean an increased interception of Canadian origin salmon and steelhead?

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, the Hon. gentleman has his facts completely wrong. Canada has not agreed to any expansion of the Japanese squid drift-net fishery. In fact, we have objected to any expansion of the Japanese squid drift-net fishery. What we have achieved with the United States is an agreement to put observers on these Japanese vessels so we will be able to get part-time scientific information on the effect of the Japanese drift-net fishing on other marine life. The Japanese are operating in international waters, they are not operating in Canadian waters. We have no control in these waters. This is a significant advance. Certainly, we have not agreed and do not intend to agree to any extension of Japanese drift-net fishing. In fact, we have objected time after time.

Some Hon. Members: Hear, hear!

OBSERVERS ON FISHING VESSELS

Mr. David D. Stupich (Nanaimo—Cowichan): Mr. Speaker, I have a question to the same Minister. The Minister may be right in saying we have not agreed to an expansion, but we have agreed to the border moving one degree north in July and two degrees north in August.