

*Oral Questions*

**Mr. Broadbent:** Say you don't have confidence now.

**Mr. Blaikie:** Think positive.

**Hon. Erik Nielsen (Deputy Prime Minister and Minister of National Defence):** Mr. Speaker, having listened to the convolutions and distortions of the Hon. Member in whatever participation he has taken in Question Period since the opening of this session of Parliament, I can truthfully say that I am probably the only one in the House, or elsewhere in the country, who gives any veracity whatsoever to his bald misstatements during the period for questions.

\* \* \*

**ATOMIC ENERGY OF CANADA LIMITED**

## REPORTED PAYMENT OF BRIBES IN ARGENTINA

**Hon. Allan Lawrence (Durham-Northumberland):** Mr. Speaker, my question is directed to the Acting Solicitor General, to whom I have given notice. Press reports from Buenos Aires indicate that the Argentinian Government yesterday released a report that \$4 million Canadian of Canadian taxpayers' funds was paid in bribes by AECL of Canada, and its Italian contractor on the Argentinian Candu reactor construction project, to the late Mr. Jose Gelbard, then the Argentinian Minister of the Economy, in the period 1974 to 1978. The same Mr. Gelbard, who was then a Washington resident, refused to appear before the Public Accounts Committee of this House.

● (1440)

My question relates to the fact that the Government of the day and the RCMP at that time indicated that they were powerless to trace those funds beyond anonymous bank accounts in Switzerland and Lichtenstein. Why were the Argentinian authorities able to trace the money beyond those numbered accounts in Switzerland and Lichtenstein when I was told, as Chairman of a House of Commons committee, that the Canadian Government was powerless to do it? Has any report ever been received by the Government of Canada relating to whether or not any of that money came back to Canadian citizens? Will there now be a—

**Mr. Deputy Speaker:** Order.

**Mr. Lawrence:**—an investigation into that matter?

**Hon. Ray Hnatyshyn (President of the Privy Council):** Mr. Speaker, I thank the Hon. Member for giving notice of that question. However, he will appreciate that as Acting Solicitor General I am not in possession of all of the facts with respect to the matter which he raises, and which he has raised over the course of the years.

All I can tell the Hon. Member is that it is the practice of the Solicitor General neither to confirm nor deny that there is any criminal investigation taking place at any particular time. However, I will take notice of the question and make sure that

the Solicitor General receives the information which the Hon. Member has been good enough to convey today.

\* \* \*

**THE BUDGET**

## PROVISION AFFECTING FAMILY ALLOWANCES

**Miss Aideen Nicholson (Trinity):** Mr. Speaker, my question is directed to the Acting Minister of Finance. In view of the fact that the Government is apparently now willing to reconsider the proposal to reduce indexation of senior citizens' pensions next year, will the Minister also undertake to review the Budget's family allowance proposals which, if enacted, would hurt many thousands of low-income parents?

**Hon. Jake Epp (Minister of National Health and Welfare):** Mr. Speaker, the changes to the family benefits will in fact help low-income families. For example, families with incomes of approximately \$28,000 will see their child benefits increased in the 1985-89 period. Some 325,000 families with incomes below \$10,000—many of whom are single parents—will be better off by some \$300 by 1990-91. If the Hon. Member looks at those projections, the premise on which her question is based is in fact not the case.

**Miss Nicholson (Trinity):** Without arguing the Minister's figures, he did not answer my question asking whether this is a firm measure or a proposal.

## CAPITAL GAINS TAX EXEMPTION

**Miss Aideen Nicholson (Trinity):** Mr. Speaker, my supplementary question is directed to the Acting Minister of Finance. If everything in the Budget which is not in effect today is to be treated as a proposal only, as implied earlier, why not reconsider the capital gains benefits which would be paid for by low and middle-income Canadians and will benefit a very small number of affluent Canadians without necessarily creating one single job in the process?

**Hon. Robert de Cotret (President of the Treasury Board):** Mr. Speaker, the impact of the capital gains measure is very clearly identifiable. It is a measure that will help people in the agricultural community, small-businessmen, small investors, and fishermen all across the country. It is a measure of fairness to create jobs.

The most severe unfairness that we had to face following years of Liberal Government was the high rate of unemployment that was bestowed upon the youth and middle-aged people in our country. This Budget is concerned with creating jobs, and this measure will go a fair way in doing that.