

*Oral Questions*

acknowledged on November 5 of this year that there was a potential conflict of interest and that it would be necessary to conduct an investigation. I would be interested to know what progress has been made. What are the results up to now?

**Hon. Robert de Cotret (President of the Treasury Board):** Mr. Speaker, I am happy to say the investigation has been completed. There are still a few technical details that have to be straightened out, but in a day or two, I will be in a position to release the findings of the investigation. I will do so before the House. It is here, through you, Mr. Speaker, that I answer the Hon. Member's questions, and I will announce the findings of the investigation here in the House, as I promised Hon. Members I would do.

**Mr. Guilbault (Saint-Jacques):** Mr. Speaker, I realize this is not customary, but I intend to congratulate the President of the Treasury Board when he does.

FUTURE OF SAINT-VINCENT-DE-PAUL PENITENTIARY AND OF ITS EMPLOYEES

**Mr. Jacques Guilbault (Saint-Jacques):** Mr. Speaker, I have a supplementary, which is probably directed to the Solicitor General of Canada. This morning it was reported that the Auditor General said it would cost only \$30 million to renovate the Saint-Vincent-de-Paul penitentiary compared with the \$68 million it will cost to build one in Port-Cartier, in the Prime Minister's riding. I would like to know what is going to happen to the Saint-Vincent-de-Paul penitentiary, and if it is closed, what the Government intends to do to help the 450 employees who will be out of a job.

[English]

**Hon. James Kelleher (Solicitor General of Canada):** Mr. Speaker, I would take this opportunity to remind the Hon. Member that it was his Government that made the decision to close Laval, not this Government. It was his Government that constructed Donnacona so that the prisoners from Laval could be transferred to that institution. We are building Port Cartier to take the balance of those prisoners. Laval, as the Hon. Member said, is in fact being closed and the employees are being offered every opportunity to secure employment within the Correctional Service.

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EXTERNAL AFFAIRS

NICARAGUA—BOMBING MISSIONS LAUNCHED FROM HONDURAS

**Mr. Dan Heap (Spadina):** Mr. Speaker, my question is directed to the Deputy Prime Minister. As he knows, many Canadians fear that the Reagan administration may attempt to distract attention from the U.S.-Iran-Contra arms deal by escalating attacks on Nicaragua. What action will Canada

contribute to the international efforts to reduce the military tensions that already exist because of the use of U.S. helicopters and the bombing of Nicaragua by U.S.-made Dragonfly bombers from U.S. airstrips in Honduras?

**Hon. Pat Carney (Minister for International Trade):** Mr. Speaker, I will have to ask the Hon. Member to permit me to take that on notice in the absence of the Secretary of State for External Affairs. I will get back to him.

REQUEST THAT GOVERNMENT URGE HONDURAS TO DISARM CONTRA FORCES

**Mr. Dan Heap (Spadina):** Mr. Speaker, there is a further matter that should be urgently taken up by the Hon. Minister or the Hon. Deputy Prime Minister. Will the Government urge Honduras, the largest single recipient of Canadian bilateral aid in Central America, to make its major contribution to international peace in that region by disarming the Contra forces and closing its border to prevent the Contras from further illegal attacks on Nicaragua?

**Hon. Pat Carney (Minister for International Trade):** Mr. Speaker, I will make careful note of the Hon. Member's suggestion and I assure him that it will come to the attention of the Secretary of State for External Affairs upon his return.

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CANADA PENSION PLAN

INTEREST RATE CHARGED ON LOANS MADE TO PROVINCES

**Mr. Jim Jepson (London East):** Mr. Speaker, my question is for the Minister of State for Finance. There is concern that it is the apparent intention of the Government to continue to lend large surplus sums from the Canada Pension Plan to provincial Governments at minimal interest rates for the foreseeable future. Can the Minister tell the House at what rate of interest this money is being lent to the provinces, and if the Minister is developing a plan for the provinces' existing \$50-billion debt to CPP to be repaid over a reasonable amortization period?

**Hon. Tom Hockin (Minister of State (Finance)):** Mr. Speaker, I would like to thank my hon. friend and neighbour, the Hon. Member for London East, for his question. The interest rate charged on the new CPP loans is 9.31 per cent. This rate is set to match rates on long-term Government of Canada borrowing and it compares very, very favourably with prevailing interest rates. Provinces have been paying CPP interest payments semi-annually for 20 years and, beginning last February, have started to pay back the principal. This system is working well and the interest rates are good from the point of view of the federal Government.