

*Oral Questions**[English]***REGIONAL INDUSTRIAL EXPANSION****AUDITOR GENERAL'S 1985 REPORT—ERRORS IN RECORDING DATA**

Mr. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, my question is also for the Minister of Regional Industrial Expansion. I have in my hand a copy of Mr. Dye's report as Auditor General, from 1985. I want to ask the Minister in charge of DRIE why his Department did not follow Mr. Dye's advice when he stated:

We also verified whether forecast cash flow patterns in the Resource Allocation Management System were accurate. There were errors in the data recorded in nearly all the approved projects. About half of these were serious errors—

In view of the fact that Mr. Dye waved a red flag some two years ago saying that there were very, very serious errors in terms of data, I want to know why the Minister continued to administer his Department in such a way that we now have an over-commitment of funds in this fiscal year of some \$90 million. Will he now admit that he did not follow the advice of Mr. Dye despite the fact that he was warned? Why did he not follow that advice?

Hon. Michel Côté (Minister of Regional Industrial Expansion): Mr. Speaker, I would say that out of this Auditor General's report there were 21 recommendations that have been dealt with by my Department and answers have been supplied.

My colleague is completely misleading again. He does not know what is going on in this Department.

Mr. Broadbent: He knows more than you do.

Mr. Côté (Langelier): There is no over-commitment. I said that there was a possibility that there could be over-spending for the year 1986-87. We will find that out. Reports will tell us how it happened, when it happened, and how to correct it. That is why we have asked for such a report.

I also said that this over-spending could have an effect in the actual year. Why we want to be very cautious about it is in order to prevent anything else from happening once again.

It has to be remembered that we inherited such a mess from 1984 and we still have to live with it.

REQUEST FOR PUBLICATION OF EXPENDITURE STUDIES

Mr. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, my supplementary question is this. The Minister knows that right now, according to information released a couple of days ago, the over-commitment is around the \$90 million mark for fiscal year 1987-88, not for three years ago. If that is not the case, then I challenge the Minister to get up in the House and deny it right now.

When he is doing that can he make a commitment to the House, since the Conservative Party promised openness of

government and freedom of information, that he will make public the findings of the internal investigation of his Department, as well as the findings of the Price Waterhouse study? Will he do that today? Will he make that commitment? Will he also get up in the House to tell us that there is an over-commitment now approaching \$90 million?

[Translation]

Hon. Michel Côté (Minister of Regional Industrial Expansion): Mr. Speaker, making that kind of suggestion denotes sheer irresponsibility and lack of maturity. To begin with, and I said so, the Department has to deal with more than 15,000 cases a year, and it is a fact that commitments were not made by this Minister over a two-month period in the current year. Commitments were made a number of years ago. For example, Mr. Speaker, since I became Minister in July 1986 we have made commitments of more than \$1 billion and the money will be spent over the years, beginning in 1988-89. Before asking questions, Mr. Speaker, one should get the facts straight and inquire about departmental procedures.

As to the report, a moment ago I gave my colleague some explanations, and I stated that I would do everything I can to shed light on these incidents, Mr. Speaker.

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HOUSE OF COMMONS

PRESENCE IN GALLERY OF MR. ADRIEN LAMBERT, FORMER MEMBER FOR BELLECHASSE

Mr. Speaker: Order! I would like to draw the attention of the House to the presence in our Gallery of Mr. Adrien Lambert, former Member for Bellechasse and House Leader for the Parti créditiste.

Some Hon. Members: Hear, hear!

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● (1140)

*[English]***FINANCIAL INSTITUTIONS**

FEDERAL-ONTARIO AGREEMENT—OBJECTIONS OF OTHER PROVINCES

Miss Aileen Nicholson (Trinity): Mr. Speaker, in the absence of the Minister of State for Finance and the Minister of Finance, my question is directed to the Deputy Prime Minister. It concerns yesterday's meeting with provincial Finance Ministers when there was failure to reach an agreement on the regulation of Canada's securities industry.

Nine provinces say that they do not want to be bound by the agreement between Ottawa and Ontario, on which they were