

*Oral Questions***PUBLIC WORKS**REQUEST FOR EXPLANATION OF PRACTICE IN AWARDING
CONTRACTS

Mr. Gauthier: Put up or shut up, Mulroney. How is that?

Some Hon. Members: Oh, oh!

Mr. Speaker: Order, please. The Hon. Member knows that such a reference to hon. gentlemen by name is out of order.

Mr. Frith: He won't answer.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, if that was a question, the record speaks for itself.

CONFLICT OF INTEREST GUIDELINES—APPLICATION TO
SPOUSES OF MINISTERS

Mr. Mike Cassidy (Ottawa Centre): Mr. Speaker, my question is directed to the Prime Minister. Since he indicates that the new standard of morality relates to the resignation of Ministers, perhaps I could refer him to his letter to Ministers on September 9 last year when he said that Ministers have an individual responsibility to prevent conflicts of interest arising out of business activities by their spouses. Is it the position of the Government that it is appropriate for the spouse of a cabinet Minister to do business with companies that are involved in a major way in doing business with the Minister's Department?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, on May 9 the Member for Nickel Belt, presumably on behalf of his Party, asked for the appointment of an impartial, independent commissioner. That is exactly what we have just done, giving him the appropriate terms of reference. I think that should answer the apprehensions of the hon. gentleman.

[*Translation*]

REQUEST FOR CLARIFICATION OF PRINCIPLE ANNOUNCED BY
PRIME MINISTER IN LETTER OF SEPTEMBER 9, 1985

Mr. Mike Cassidy (Ottawa Centre): I have a supplementary, Mr. Speaker. My question is not related to the inquiry but to the principle set forth by the Prime Minister in his letter of September 9 last year to the members of his Cabinet. Does the Prime Minister think it is appropriate for the spouse of a Minister to do business with a company involved in business dealings with the Minister's department?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, that is exactly the subject matter before the commission of inquiry, and the chairman of the commission will pass judgment at the appropriate time.

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, my question is directed to the Prime Minister and concerns the contract-letting practices of the Department of Public Works. Yesterday, in reply to questions from reporters, the Minister of Public Works said: "I've always said that as long as the basic criteria are observed, namely cost and competence, I certainly don't mind showing my gratitude to people who deserve it." How can the Prime Minister reconcile this statement with his new morality code which he referred to earlier today and yesterday?

[*English*]

Hon. Ray Hnatyshyn (President of the Privy Council): Mr. Speaker, first, the Hon. Member will understand that the matter with respect to particular charges being laid is before the courts and it is not appropriate to raise any reference, directly or indirectly, with respect to that matter, in order to ensure that justice will be done impartially in the Canadian tradition. As far as ministerial responsibility, accountability, and the method of dealing in any particular Department are concerned, I believe my colleague, the Minister of Public Works, yesterday fully and clearly answered the whole question with respect to the way in which business is done. It is all above board by tender and is done according to law.

CONTRACTS AWARDED WITHOUT TENDER

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I am glad that the Minister said that. The Minister did say yesterday that everything is done by public tender. We have a list of 2,000 contracts, since September 4, 1984, 1,000 of which have never been offered by public tender. Half of the contracts have had no tender in amounts in excess of \$5,000. How can the Minister explain that today?

Hon. Ray Hnatyshyn (President of the Privy Council): Mr. Speaker, I think I can explain it by saying that we are using the same Treasury Board guidelines that our predecessor, the Liberal Government, instituted. It has been a long standing tradition.

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THE ADMINISTRATIONALLEGED CONFLICT OF INTEREST—APPOINTMENT OF MR.
JUSTICE PARKER TO CONDUCT INQUIRY

Mr. Ian Deans (Hamilton Mountain): Mr. Speaker, my question is also directed to the Prime Minister. I was in the Ontario provincial Legislature during the last public inquiry in which Justice Parker took part, as far as I am aware. Does the Prime Minister not recognize the impossible situation in which he is placing the judiciary when he asks it to inquire into a