

Oral Questions

Some Hon. Members: Hear, hear!

Mr. Speaker: Order, please!

TIMING OF GRANTS

Hon. Edward Broadbent (Oshawa): Mr. Speaker, I have a question for the Minister. The difference is that neither Mr. Lumley nor his wife got an interest-free loan and that is what this is all about.

Mr. Gauthier: That's the difference. You can't tell the difference, Stevens.

Mr. Broadbent: Would the Minister agree that Mr. Czapka, who is a shareholder in Magna and a consultant to Magna, whose son, we have now learned, is a senior officer in two Magna corporations, had a personal interest in making a \$2.6 million loan to the Minister's wife precisely at the time that the Minister was making up his mind about giving Magna Corporation a big grant?

Some Hon. Members: Answer, answer.

Mr. Orlikow: Let's get the truth.

Hon. Sinclair Stevens (Minister of Regional Industrial Expansion): Mr. Speaker, the Hon. Member was, of course, at the committee last night. I will explain once again that the Memorandum of Understanding was signed on August 27, 1984. It itemized various transactions which they anticipated entering into with Magna International. The transaction that was referred to in this morning's paper is one of those transactions which was subsequently implemented. It is as simple as that.

Mr. Broadbent: Mr. Speaker, knowing that, the Minister should either have made no decision favouring that company, or should have taken steps to make sure that his wife did not get a highly advantageous loan from the company. That is what the Minister should have done.

Some Hon. Members: Hear, hear!

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THE ADMINISTRATION

LOAN MADE TO MINISTER'S WIFE—ROLE OF ANTON CZAPKA

Hon. Edward Broadbent (Oshawa): Mr. Speaker, it seems to me that this goes to the very root of what conflict of interest is all about. Is it not the case that Mr. Czapka had a personal interest in making this very advantageous loan to the Minister's wife precisely at the time that the Minister was making his decision?

Mr. Hnatyshyn: Order!

Mr. Broadbent: If he did have, is that not a conflict of interest that the Minister should have avoided?

Hon. Erik Nielsen (Acting Prime Minister): Mr. Speaker—

Some Hon. Members: Oh, oh!

Mr. Orlikow: Velcro lips himself.

Mr. Gauthier: The velcro kid.

Mr. Orlikow: Come on, give us the whitewash.

Mr. Penner: You need a new lawyer, Sinc.

Mr. Rodriguez: Your nose is growing, Erik.

Mr. Speaker: Order. The Hon. Minister wishes to answer.

Mr. Nielsen: Mr. Speaker, in response to that highly personal question—

Some Hon. Members: Oh, oh!

Mr. Broadbent: Come off it. You're the expert.

Mr. Nielsen: —insofar as it affects the conflict of interest which the Hon. Member alleges, the Minister has complied completely with the very exacting requirements of the Code of Conduct which applies to public office holders.

Mr. Ouellet: No, no.

Some Hon. Members: Not so.

Mr. Nielsen: I have been saying that for 10 days in this House and, if necessary, I will be saying it for the next 10, 20, or 30 days.

Mr. Riis: You have paint all over your suit, Erik.

MINISTER'S RESPONSIBILITY

Hon. Edward Broadbent (Oshawa): Mr. Speaker, since the Minister will not deal directly with the question, I will ask a question of the Deputy Prime Minister.

Mr. Stevens: How can I be more direct?

Mr. Broadbent: The Memorandum of Understanding which was entered into by a previous Government required the final approval of the present Minister. The Deputy Prime Minister is assuming moral responsibility in these matters. Would he not agree that a Minister, in considering a decision of this kind, ought not to make a decision that is clearly advantageous to a company which is directly involved in making a \$2.6 million loan to his wife?

● (1430)

Hon. Erik Nielsen (Acting Prime Minister): We have been over that ground, Mr. Speaker. However, speaking of moral obligations, the Leader of the NDP should examine the morality, under the guise of immunity, of one of the members