

Oral Questions

● (1150)

THE ADMINISTRATION**JUSTICE DEPARTMENT APPOINTMENTS**

Hon. Bob Kaplan (York Centre): Mr. Speaker, my questions are directed to the Prime Minister. I have read and reread all the arguments the Prime Minister has made on the record in defence of the conduct of the Minister of Justice in relation to giving government legal work to his sons, to try to find the case the Prime Minister was making. I bear in mind today's revelation that CMHC work was given directly to them, not to them in any capacity as members of a firm. Is the Prime Minister saying that when he, as Prime Minister, is satisfied with the probity, integrity, and honour of one of his Ministers, that that Minister is not obliged to follow the guidelines?

Right Hon. Brian Mulroney (Prime Minister): No. Mr. Speaker, I have said no such thing. In fact I have said quite the contrary. The implication of my hon. friend is, as he knows, vexatious and spurious. It does him no honour to persist in this kind of malice in the House of Commons, which is both unfair and misleading.

CONFLICT OF INTEREST GUIDELINES

Hon. Bob Kaplan (York Centre): Mr. Speaker, I would protest the imputation that my concerns are not sincere. I am wondering what the guidelines mean. How can the Prime Minister take clear guidelines and find that what the Minister of Justice has done is not preferential treatment? How can he defend it based on the specific words, the clear words of the guidelines?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I hope I gave an answer which would satisfy my hon. friend. It was given in good faith. It dealt with the facts of the issue and the extent to which, indeed, the guidelines were very much in force. Not only must they be implemented and clear of violation, but even the appearance of violation must be avoided. I think that has been established to the satisfaction of the House, I hope that is the case, but I would be happy to provide any further information the Hon. Member wishes.

UNACCEPTABLE CONDUCT INQUIRY

Hon. Bob Kaplan (York Centre): Mr. Speaker, I ask the Prime Minister to enlighten the country. How can the guidelines, as they have been interpreted in the case of the Minister of Justice, ever be violated? What would constitute unacceptable conduct by one of his Ministers?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, the Hon. Member asks a hypothetical question. I can only tell him that Canadians quite properly expect Ministers of the Crown, and all Members of Parliament, to adhere to the highest possible standard of conduct, and that is exactly what we are going to do. Anything at variance with that would be unacceptable. I have made that very clear. Having said that, I

am satisfied that the explanations provided by the Minister of Justice are appropriate, and I hope my hon. friend would agree with that.

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PENSIONS**IMPACT OF BUDGET**

Mr. Ian Deans (Hamilton Mountain): Mr. Speaker, my question is directed to the Prime Minister. He has indicated, if not said, that he derives no pleasure from the measures which were brought about that will take from senior citizens a certain part of their expendable income. With that in mind, would he undertake to review the five options we offered yesterday, options which, if implemented, could yield to the Treasury in excess of \$3 billion in any calendar year, or any fiscal year, with an eye to finding, within the five areas we have recommended could be reviewed and taxed in a somewhat different way, the required \$245 million, to allow the Government not to decrease the indexing provisions applicable to old age pensioners?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, my friend raises an excellent point. While I have not read the transcript, I noticed that one of the committees of the House dealt yesterday with the thrust of the question which my hon. friend raises, where the Liberals, in a gift to their friends in big business, threw off \$2.5 billion in forgone tax revenues in R and D spinoffs. We shut down that tax loophole, because that was what was happening to the social programs.

We have imposed a tax on the capital of banks and trust companies, we have imposed a surcharge on the wealthy, and we are going to impose a minimum tax on the wealthy, because we agree with that spirit of fairness.

Again I give my hon. friend the assurance, as was said in the budgetary documents, that we will monitor this very closely and at the earliest possible moment discuss it in the House with my hon. friend, at his convenience. We will continue to monitor it to ensure, to the extent humanly possible and as quickly as finances permit, that no difficulty is sustained by our elderly in Canada.

REQUEST FOR RECONSIDERATION

Mr. Ian Deans (Hamilton Mountain): Mr. Speaker, the Prime Minister will recognize that we have six months to change this policy toward old age pensioners. I ask him to look seriously at whether, within the five options we have offered, or in any other way, there seems to be sufficient money to meet the demand. Would he look at those and determine for himself that it is in fact possible to rearrange the tax structure within those areas in such a way as to raise the \$245 million, and to say to Canadian seniors that in fact we recognize their contribution to the building of the country and that, as a grateful nation, we will ask others with more disposable