

part in the Solicitor General's decision to call an inquiry into the matter—one of the reasons the Solicitor General gave was that L'Agence de Presse Libre break-in was not an isolated occurrence as he had previously thought—and could he advise further whether he is aware of any allegations that have been made surrounding that break-in?

Hon. Francis Fox (Solicitor General): The answer to the double barreled question in both cases is no, Mr. Speaker.

SOURCE OF ADDITIONAL INFORMATION OF UNAUTHORIZED ACTIVITIES WHICH LED TO ESTABLISHING INQUIRY

Mr. Stuart Leggatt (New Westminster): I apologize to the minister. I have written to him but he may not have received the letter, but I am sure the minister would be happy to look into that particular question. My supplementary question is as follows: In coming to his determination to hold an inquiry, did he obtain additional information which led him to that conclusion from his deputy minister, or was there additional information from the RCMP? In other words, what was the source of the information that led him to the conclusion that an inquiry was now appropriate, whereas before L'Agence de Presse Libre matter seemed to be an isolated occurrence? Was it from someone in his own department or was that information volunteered initially from the force itself?

Hon. Francis Fox (Solicitor General): I believe that I answered the question in detail in my statement to the House. There were matters which were brought to my attention and which seemed to be substantiated. This was substantiated after my initial statement in the House on the APLQ affair on June 17.

Mr. Stanfield: You are the world figure skating champion, Francis; free skating.

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FARM CREDIT CORPORATION

INDICTMENT OF MANAGEMENT IN AUDIT BY SIBALD GROUP—
GOVERNMENT ACTION

Mr. Perrin Beatty (Wellington-Grey-Dufferin-Waterloo): Mr. Speaker, in the absence of the Minister of Agriculture my question is for the Acting Minister of Agriculture. I gave him notice in the House publicly yesterday of the question I intended to ask. I want to pursue the question I asked yesterday about the Farm Credit Corporation, the \$308 million agency of the federal government. Can the minister tell the House today what specific action has been taken as a result of the management audit that bluntly disclosed serious morale problems within the corporation, total lack of direction from senior management, moonlighting by corporation employees on government time, and bilingual training for employees working in areas where no second language is spoken?

Hon. Daniel J. MacDonald (Acting Minister of Agriculture): Mr. Speaker, the document referred to by the hon.

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member for Wellington-Grey-Dufferin-Waterloo is the report of a management audit conducted with respect to the Farm Credit Corporation during the winter of 1976-77. I would first state that it is unlikely that we would find many organizations in either the private or public sector that were willing to expose themselves in the manner in which the FCC has done. This was a study based on interviews with staff of the corporation at all levels, in addition to the clients of the corporation with which it deals on a regular basis.

An hon. Member: Save the speech and answer the question.

Mr. MacDonald (Cardigan): You asked for an answer and you are getting it.

Rather than criticize the Farm Credit Corporation by searching for selected excerpts from the report which are critical of the way it functioned at the time of the study, I believe we should acknowledge that the extensive self-examination which has taken place is a credit to the staff of the corporation and we should sincerely congratulate them for the action which they have taken to improve the corporation in all its facets and to better serve its clients in the Canadian farm community.

AWARDING OF CONSULTANTS' CONTRACT BY CHAIRMAN TO
COMPANY OF WHICH HE IS DIRECTOR—GOVERNMENT
POSITION

Mr. Perrin Beatty (Wellington-Grey-Dufferin-Waterloo): Mr. Speaker, the minister absolutely refused to answer the specific question I asked. He simply evaded it and gave a speech instead which was prepared by one of his officials.

I have a supplementary question. Because the minister obviously does not understand what is going on, my supplementary is for the Acting Prime Minister. In view of the fact that the Minister of Agriculture has confirmed this week that the chairman of the Farm Credit Corporation, Mr. B. Kristjanson, gave consulting contracts totalling \$80,000 to the Manitoba Institute of Management, of which he was a director at the same time as he was chairman of the Farm Credit Corporation, and that the contract was awarded without tender, can the Acting Prime Minister tell the House whether the government is satisfied that the awarding of the contract was in no way in violation of the government's guidelines for public servants, particularly paragraphs 3, 7 and 8 which state that public servants are expected to arrange their private affairs in a manner that will prevent conflict of interests from arising and that public servants should hold no outside office or employment?

Mr. Speaker: Order, please. I presume that the minister is deemed to be cognizant of the law.

Hon. Daniel J. MacDonald (Acting Minister of Agriculture): With regard to the contract, the hon. gentleman referred to by the hon. member, namely, the chairman of the Farm Credit Corporation is a member of the board of the other organization, which is a non-profit organization, and I am not