

increasingly prevalent in our society and I believe we are agreed that it is unfair to impose restrictions considered unacceptable to society as a whole.

That was a letter issued to Ministers by the former Prime Minister, Mr. Trudeau, on April 28, 1980, in regard to those guidelines. I think what the former Prime Minister was trying to say was that there is a degree of—

Mr. Kaplan: What about these guidelines?

Mr. Mulroney: You can send it to me, but I have a copy of it, if that is the case.

There is a need for balance and reasonableness in this entire matter. The Minister of Justice is a man of unimpeachable integrity. He has made a statement to the House which severs any relationship that may have come about through his Department with his sons in this case. I think that the explanations provided by the Minister are reasonable and appropriate.

Having said that, I would like to acknowledge that the guidelines are very much in effect and force, and that all Ministers are obliged to respect them in all ways, including appearance. We must seek to avoid even the appearance of a conflict of interest.

CONFLICT OF INTEREST GUIDELINES

Hon. Bob Kaplan (York Centre): Mr. Speaker, that portion of Mr. Trudeau's letter was meant to excuse wives and children from following the guidelines. It was not meant to excuse Ministers from following the guidelines. Ministers are obliged to follow the guidelines. If their wives and children want to get into businesses of one kind or another, Mr. Trudeau was telling them that the guidelines did not necessarily apply to them. However, the guidelines certainly apply to the Minister of Justice. He has appointed his children as legal agents in the Province of Newfoundland, something which is clearly contrary to the words of the guidelines. The exculpatory language indicating what children and spouses can do has nothing to do with what Ministers can do. The integrity of the Minister of Justice is not directly the issue; it is his conduct.

How does the Prime Minister get justification for these appointments out of such clear language? Is he telling the Canadian people that these guidelines are a farce?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, not at all. We view the guidelines with the utmost of seriousness. They must be honoured by all Ministers, not only in reality but in appearances to the contrary that might emerge, inadvertently or otherwise. That is why the Minister of Justice, whose name has been synonymous with integrity in Newfoundland for 100 years, made the statement that he did.

Mr. Parry: Even when he was a Liberal?

Mr. Mulroney: Even when he was a Liberal.

Some Hon. Members: Oh, oh!

Mr. Mulroney: But that was provincially.

Oral Questions

I think that the explanation given by my hon. friend, the Minister of Justice, was both human and proper. May I say, recognizing that my hon. friend has every right to put the question, that I think the question diminishes the value of his efforts and he diminishes himself in the eyes of Canadians by persisting in this line of attack.

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CORPORATE AFFAIRS

SALE OF GENERAL BAKERIES LTD. TO GEORGE WESTON LTD.

Mr. Reg Stackhouse (Scarborough West): Mr. Speaker, my question is directed to the Acting Minister of Consumer and Corporate Affairs. In view of Dominion Stores' sale of its subsidiary General Bakeries Ltd. to the food industry giant George Weston Ltd., resulting in the loss of still more jobs for Dominion employees and even less competition in the food industry, will the Acting Minister of Consumer and Corporate Affairs instruct the Combines Investigation branch to assess this acquisition and ascertain if it offends against relevant legislation?

● (1450)

Hon. Robert de Cotret (President of the Treasury Board): Mr. Speaker, the Director of Investigation and Research systematically reviews all large-scale transactions, and he will be reviewing this one as well with a view to determining whether or not the merger may have implications for the provisions of the Combines Investigation Act. I am sure he will be carrying out his statutory duties as he has an obligation to do so under the Act.

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PENSIONS

BUDGET IMPACT ON INDEXATION

Mr. Rod Murphy (Churchill): Mr. Speaker, my question is directed to the Minister of National Health and Welfare. In defending the Government's position to cut full indexation of old age pensions, which will affect the mothers and grandmothers of Canada, by \$4.2 billion between now and 1991, the Minister said that he had no option. I would like to give him a fifth option.

Would he not admit that if his Government had reinstated the higher levels of income tax which were paid by the rich, and cut by the Liberal Government in the MacEachen Budget, it would have brought in \$1.7 billion, and his Government would not be known as the purse snatcher of the nation?

Hon. Jake Epp (Minister of National Health and Welfare): Mr. Speaker, again, I do not believe that the premise on which that question is based is accurate.

Ms. Coppins: Jake's a fake!

Mr. Waddell: You said you did not have any choice.