

*Oral Questions**[English]*

Mr. MacDonald (Dartmouth): Mr. Speaker, my supplementary question is for the Prime Minister.

Yesterday, the Solicitor General told us repeatedly that this was a matter for investigation and consideration by the other place. Since the Government Leader of the other place is a member of this cabinet, what instructions has Senator Murray been given on how to proceed with this matter in the other place? Where did these instructions originate—with the Solicitor General, with the Minister of Justice, or with Senator Cogger's close personal friend, the Prime Minister?

Some Hon. Members: Hear, hear!

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I do not know why the display of emotion.

Mr. Fontana: We are happy to see you.

Mr. Mulroney: My hon. friend says he is happy to see me. I am happy to see you.

With regard to the question, my understanding is that the senator has denied the allegations that have been brought forward.

Second, he has asked for the Senate to constitute an appropriate investigation of his activities. I am informed by the Leader of the Government in the Senate that that will be acceded to.

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, my question is also for the Prime Minister. It concerns the operations of the Federal Business Development Bank.

In addition to issues raised earlier in the House today by my colleagues, there is now a report that Senator Michel Cogger, whose firm acts as counsel to the Federal Business Development Bank, lobbied the Federal Business Development Bank for a grant to the University of Sherbrooke, which has as a member of its board of directors none other than Senator Michel Cogger. The purpose of this grant was to purchase courses from Pleuricanaux Ltee., a firm half-owned by none other than Senator Cogger.

Given this series of incestuous relationships, will the Prime Minister now do the right thing and call for a full judicial commission of inquiry now?

Hon. Harvie Andre (Minister of Regional Industrial Expansion and Minister of State for Science and Technology): Mr. Speaker, in July, 1987, the Federal Business Development Bank entered into an agreement with the University of Sherbrooke to develop a home study course which included audio-visual support. This was a new project as the bank was not then involved in the home study format.

The loan of \$100,000 was made to the University of Sherbrooke from the Federal Business Development Bank. Part of the payment back from the University of Sherbrooke to the bank was by way of royalties. The Federal Business Development Bank received \$120,000 in royalties, so that more than paid it off.

Pleuricanaux had previously successfully marketed a home study business management course for Tele-Université and Pleuricanaux did this on behalf of the University of Sherbrooke. It was a successful effort all the way around.

Mr. Boudria: Well, it sure was successful if your name was Michel Cogger. I want to ask a supplementary of the minister.

[Translation]

Mr. Speaker, my supplementary is directed to the Prime Minister and concerns another issue, Hydroméga.

Yesterday, the Hon. Member for Châteauguay admitted outside the House, to the media, that he himself had been lobbied by Senator Cogger. Considering the fact that shortly afterwards, the senator allegedly received \$2,500 from the same company, my question to the Deputy Prime Minister is this: Isn't it time we ensured that section 16 of the Parliament of Canada Act is observed? Section 16 prohibits a member of the Senate from lobbying a member of the House of Commons for a fee.

Mr. Blais: Mr. Speaker, the law applies to everyone, and that is why this morning, the RCMP informed us it was looking at all the allegations made here in the House and elsewhere, to find out whether there was a case for pursuing the matter further.

It is not up to a minister of this Government to interpret the law or legal precedents in this case. It is up to the RCMP as an honourable police force to look at all the facts and make its decisions accordingly, Mr. Speaker.