

*Oral Questions*

Even the *Financial Post* and the *Globe and Mail* agree that on this one we are doing a fairly good job.

[Translation]

**Mr. Paul Mercier (Blainville—Deux—Montagnes, BQ):** Mr. Speaker, the minister's answer in fact confirms that the government is reducing CN's debt to lure buyers, American buyers for example.

Now for my brief question. Will the minister acknowledge that taxpayers are going to have to pay not between \$400 to \$600 million in the effort to privatize CN, but as much as \$1 billion, and that this public support of \$1 billion is nothing less than an indirect subsidy Ottawa will be offering to the future owners of CN?

[English]

**Hon. Douglas Young (Minister of Transport, Lib.):** Mr. Speaker, a fundamental question that has to be addressed by all members of the House of Commons as we deal with the commercialization of CN is whether members want to do it.

We can address all the theoretical questions. We can discuss whether the deal is absolutely perfect or whether the taxpayers of Canada will get an absolute best value on every aspect of the deal.

The Bloc Québécois will have to decide whether it wants to support the commercialization and the privatization of CN. If it does, we will listen to its recommendations as to how we can do it well. However, if it does not want to do it, if it just wants to carp about it, it should simply oppose it and not try to deal with issues it obviously has no understanding of whatever.

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#### ETHICS COUNSELLOR

**Mr. Ken Epp (Elk Island, Ref.):** Mr. Speaker, in 1988 Georges Clermont, then vice-president responsible for real estate at Canada Post and now the president of Canada Post, was at the Hotel Ritz in Barcelona, Spain. His bill was paid for by none other than José Perez, the developer of the Canada Post headquarters complex in Ottawa. Mr. Clermont has admitted this payment under oath.

Is this now sufficient evidence for the Prime Minister to finally allow an ethics counsellor investigation or must we wait until even more damning evidence is made public?

**Hon. David Dingwall (Minister of Public Works and Government Services and Minister for the Atlantic Canada Opportunities Agency, Lib.):** No, Mr. Speaker.

**Mr. Ken Epp (Elk Island, Ref.):** Mr. Speaker, quite clearly the government is not willing to face up to issues of ethics which are hounding it.

It seems clear to me there is now considerable evidence there is more than a casual acquaintance between Mr. Perez and Mr. Clermont. Canadians have a right to know the extent of this symbiotic relationship.

If there will not be an independent investigation, why not? What is the explanation to the Canadian people?

**Hon. David Dingwall (Minister of Public Works and Government Services and Minister for the Atlantic Canada Opportunities Agency, Lib.):** Mr. Speaker, the hon. member takes an allegation to the floor of the House of Commons.

The hon. member will be aware the subject matter is under investigation. It would be most inappropriate for a minister of the crown to comment on that.

The hon. member had an opportunity on a previous occasion before the Standing Committee on Government Operations to put questions he deemed appropriate and sufficiently important to the president of Canada Post Corporation.

If the hon. member has evidence of those allegations, I would be happy to forward those to the appropriate individuals. This activity took place a considerable time ago and is presently being investigated by the proper authorities.

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[Translation]

#### CANADIAN BROADCASTING CORPORATION

**Mrs. Christiane Gagnon (Québec, BQ):** Mr. Speaker, my question is directed to the Minister of Canadian Heritage.

In an internal memo dated May 11 and addressed to employees of the Canadian Broadcasting Corporation, CBC president Perrin Beatty announced that the McKinsey firm would be asked to examine the operations of the CBC. The memo also announced that as part of its planning strategy, the CBC expected to cut a total of \$350 million over three years, although the reports of the Canadian Heritage committee and the Juneau committee have not yet been released.

● (1445)

Could the minister confirm whether the \$350 million mentioned in Mr. Beatty's memo is the same amount that was announced by his deputy minister, Mr. Rochon, to former president Manera before the last budget?

**Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.):** Mr. Speaker, the president of the CBC made it very clear that his budgetary framework was the same one established in the government's latest budget. If the hon. member read what it said in the budget, she would have the answer to her question.

**Mrs. Christiane Gagnon (Québec, BQ):** Mr. Speaker, how can the minister keep denying the extent of the cuts at the CBC