

*Oral Questions***PUBLIC WORKS****POSSIBILITY OF CLEANING CONTRACT BEING AWARDED TO PUBLIC SERVANT—REQUEST FOR REPORT**

**Mr. Lorne Nystrom (Yorkton-Melville):** Mr. Speaker, my supplementary question is directed to the Minister of Public Works who said yesterday in the House that a contract between the government of Canada as an employer and the company in which a public servant has a direct and immediate personal interest is not allowed. I should like to know whether or not the minister can report to the House whether he has found any specific incident of a contract being awarded to a company of which a public servant has been or is the principal owner.

**Hon. C. M. Drury (Minister of Public Works):** Mr. Speaker, subject to qualifying the last phrase "the principal owner", we have discovered, as a consequence of the initiative of the hon. member I may say, a cleaning contract in which one of the participants was an employee of the federal government. That employment has since been terminated.

**Some hon. Members:** Oh, oh!

**An hon. Member:** As of yesterday?

**An hon. Member:** How about the contract?

**Mr. Nystrom:** I should like to ask the Minister of Public Works whether or not, in view of the fact that he has now found at least one incident where that has occurred, he will undertake a full investigation into his department to see whether or not there are other incidents of that type of contracting out, and can he also tell the House whether or not that type of practice will be allowed in future in view of the fact that yesterday he said that it is definitely not allowed?

**Mr. Drury:** Mr. Speaker, I am not suggesting that it is going to be allowed in the future. Perhaps I should point out that there are two aspects under examination here, one is the ability of the Department of Public Works to provide the most efficient and least expensive service to the taxpayer. To do this, we call for open tenders from the private sector, and provided the low bidder has the necessary financial and technical competence he is normally awarded the contract. The determination of technical competence is the result of an assessment made at an interview with those who are going to perform the work and a performance bond is also required before the contract is signed.

The other aspect is the carrying out of the guidelines governing the conduct of public servants. Perhaps I might read the first paragraph of the guidelines which are issued under the authority of the governor in council. It reads as follows:

A public servant should not have a pecuniary interest that could conflict in any manner with the discharge of his official duties.

This is the essential element of the guidelines.

The hon. member has discovered—and I am grateful for this—a case in which a public servant did have a pecuniary interest in a contract with the government. He has asked whether we will be conducting a full investigation. I do not think this is warranted, but I welcome any information the

[Mr. Basford.]

hon. member or any hon. member of the House may have which is evidence of undesirable practices.

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[Translation]

**REGIONAL ECONOMIC EXPANSION****DATE OF PAYMENT AND AMOUNT OF SUBSIDY TO SAINT-FÉLICIEN PAPER MILL**

**Mr. C.-A. Gauthier (Roberval):** Mr. Speaker, I should like to put a question to the Minister of Regional Economic Expansion. I tried to reach him by telephone but his line was always busy.

My question deals with the paper mill project at Saint-Félicien.

Without taking too seriously the article published in local newspapers which quoted the minister as saying Donohue would get \$300 million, can the minister tell us whether the federal grant will represent 50 per cent of the provincial aid? In addition, when does he expect to announce it publicly?

**Hon. Marcel Lessard (Minister of Regional Economic Expansion):** Mr. Speaker, as pointed out by the hon. member, there have been many comments in the provincial and even local press in the last few months and weeks. I shall not dwell on all those comments but, in reply to the hon. member, I must say that, unfortunately, I cannot divulge at this stage what point negotiations between the provincial and federal negotiations have reached. Of course, we will have to wait till a final decision has been reached before that information can be released. So, unfortunately, the hon. member will have to be a little more patient.

**Mr. Gauthier (Roberval):** Mr. Speaker, on a supplementary.

May I ask the minister to give us a date, where negotiations are concerned?

**Mr. Lessard:** Mr. Speaker, all I can tell the hon. member I have already said publicly, that is, that I am trying to pursue this matter with a view to reaching a decision in the near future. I said in this regard that I really hoped that by the end of April a decision, one way or the other, would have been reached. To my mind, the discussions have already dragged on too long; I would like the decision to be taken, if possible, before the end of this month.

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[English]

**HOUSE OF COMMONS****PRESENCE IN SPEAKER'S GALLERY OF MEMBERS OF GENERAL AFFAIRS COMMITTEE OF WESTERN EUROPEAN UNION**

**Mr. Speaker:** Order, please. Before beginning another round of questioning, may I ask hon. members to join with me in calling attention to the presence in the gallery of very distinguished visitors in the form of a delegation, being the Standing Committee on General Affairs for the Western European Union, who are here for two days before