

EXTERNAL AFFAIRS

CANADA-UNITED STATES RELATIONS—OFFER OF CONTRACT TO
MICHAEL DEAVER

Hon. Lloyd Axworthy (Winnipeg—Fort Garry): Mr. Speaker, I hope it is all right for a “precedent” to ask a question. I would like to direct my question to the Deputy Prime Minister. We heard yesterday from the Secretary of State for External Affairs that Mr. Doucet of the Prime Minister’s Office had made an offer of employment to Mr. Deaver—

An Hon. Member: He never said that.

Mr. Axworthy:—when he was in the White House, albeit a lightheaded one. Now we have had a further revelation that Canadian officials met 15 times with Mr. Deaver when he was in the White House. Both cases are clearly in violation of American law.

An Hon. Member: Question.

Mr. Axworthy: Knowing this, would the Deputy Prime Minister tell us why the Government offered a contract to Mr. Deaver knowing it would violate American law? And who authorized that kind of offer to be made? Was it the Prime Minister or the Secretary of State for External Affairs?

Hon. Erik Nielsen (Acting Prime Minister): Mr. Speaker, the Secretary of State for External Affairs, who is unavoidably absent, responded to some questions yesterday on that subject matter with respect to the details of a contract entered into by the Secretary of State for External Affairs and Mr. Deaver. I would have to take notice of that question and get whatever details the Hon. Member wishes.

REQUEST FOR COMMITTEE HEARING

Hon. Lloyd Axworthy (Winnipeg—Fort Garry): Mr. Speaker, I appreciate that offer. In making that request, may I also make a request that the Government divulge all records and information relating to the hiring of Mr. Deaver and at the same time make available Mr. Gotlieb and Mr. Doucet before the Standing Committee on External Affairs so we can properly examine how the Government goes about hiring foreign lobbyists and what rules should be applied?

Hon. Erik Nielsen (Acting Prime Minister): Mr. Speaker, of course, in the examination of the estimates of External Affairs before that committee, it is open to the hon. gentleman to make the request for the appearance of the ambassador and other witnesses he may wish to have.

Mr. Turner (Vancouver Quadra): If we have your support it would make it easier.

Mr. Nielsen: I will certainly carry the remainder of the Hon. Member’s representations personally to the Secretary of State for External Affairs.

Oral Questions

SHIPBUILDING

FUTURE OF INDUSTRY IN QUEBEC

Mr. Mike Cassidy (Ottawa Centre): Mr. Speaker, my question is directed to the Minister of Consumer and Corporate Affairs. I have a letter from Mr. Peter Paul Saunders, the Chairman of Versatile Corporation, in which he informs the Quebec Minister of Industry and Commerce that he had been named by this Minister and by the former Minister of Regional Industrial Expansion, to negotiate a plan for the reduction of the shipbuilding industry in Quebec, which included the closure of Marine Industries in Lauzon. Why was Mr. Saunders given that particular responsibility? Was it not a conflict of interest for this Minister and the former Minister of Regional Industrial Expansion to ask a president of one Quebec shipyard to develop a plan which would involve closure of one of its major competitors?

[Translation]

Hon. André Bissonnette (Minister of State (Small Businesses)): Mr. Speaker, it is clear that in Canada today there is surplus capacity in our shipyards. At the time, the Minister of Regional Industrial Expansion examined a plan for rationalizing the shipbuilding industry in Canada. The discussions that took place between Mr. Saunders and representatives of other shipyards in Quebec are continuing, and rationalization will come later.

REQUEST FOR CLARIFICATION OF NEGOTIATION THAT WOULD
IMPLY CLOSURE OF COMPETING SHIPYARD IN PROVINCE OF
QUEBEC

Mr. Mike Cassidy (Ottawa Centre): Mr. Speaker, could the Minister explain the conflict of interest... Why was the director of a shipyard appointed to negotiate a reduction in the industry’s capacity which would involve closing down his major competitor in the province of Quebec? Is it appropriate for a company to make a decision involving the shutting down of another company in an industry that is so important to Quebec?

Hon. André Bissonnette (Minister of State (Small Businesses)): I think the Government asked the parties to talk and to arrange a rationalization strategy amongst themselves, before taking any measures whatsoever.

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● (1440)

[English]

BANKS AND BANKING

INTEREST RATES CHARGED BY CHARTERED BANKS

Mr. Jim Jepson (London East): Mr. Speaker, my question is for the Minister of Finance. We are happy to see the continual decline in Bank of Canada interest rates. However,