

NEWSPAPER REPORT—FAMILY BUSINESS TRANSACTION

Hon. Bob Kaplan (York Centre): Mr. Speaker, the Prime Minister has an opportunity to explain the facts. What explanation can he put on the story made public today involving the Minister, the Minister's wife, a family business, that brings it within his conflict of interest guidelines?

Right Hon. Brian Mulroney (Prime Minister): Now the Hon. gentleman finally asks a question, Mr. Speaker. Finally he asks a question.

An Hon. Member: Give us an answer.

Mr. Mulroney: You will get your answer. When the report appeared this morning, I asked the Deputy Prime Minister, because I was chairing a meeting of P and P Committee this morning prior to my departure, to meet immediately with the Deputy Registrar General of Canada who is responsible for conflict of interest guidelines. The Deputy Prime Minister met and reviewed the facts as alleged, and received the assurance from the Deputy Registrar General that the Minister was in full compliance.

ACTIVITIES OF MINISTER'S WIFE IN LOAN NEGOTIATIONS

Right Hon. John N. Turner (Leader of the Opposition): Mr. Speaker, under the conflict of interest guidelines the company, constituting a principal asset of the Minister, was in a blind trust, yet the Minister's wife actively negotiated a loan. She first approached a company which at that time was actively discussing with the Minister a tax advantage and a sizable investment in Cape Breton. Does that not constitute, in the Prime Minister's mind, a violation of his conflict of interest guidelines, not only with respect to the blind trust but with respect to an appearance of wrong-doing on the part of the Minister and the Minister's wife?

Hon. Erik Nielsen (Deputy Prime Minister and Minister of National Defence): Mr. Speaker, this series of questions is very similar to the question asked on April 7 by the Hon. Member for Essex—Windsor based on a very similar newspaper article. The right hon. gentleman is surely clutching at straws when he suggests in the words that he uses in his preamble that wives and spouses of Members of Parliament are not free to seek an independent and separate career—

Mr. Fulton: Not interest-free loans.

Mr. Nielsen: And, as a former Leader of that Party admonished us on one occasion, "wives are not chattels".

REQUEST THAT MINISTER BE RELIEVED OF DUTIES

Right Hon. John N. Turner (Leader of the Opposition): Mr. Speaker, we are not suggesting that Mrs. Stevens is anything of the kind. We are suggesting that she is a partner with her husband. Instead of a blind trust she actively negotiated a loan for that asset, there being no blind trust, and she approached a

Oral Questions

company and a gentleman with whom the Minister was having active discussions about an investment in Cape Breton.

My question, and the Deputy Prime Minister may attempt to answer it, is for the Prime Minister and only he can answer it. Will he relieve this Minister of his duties until we have an opportunity to have a full inquiry into how that company got a \$2.6 million interest-free loan? How are we going to satisfy that?

● (1420)

Right Hon. Brian Mulroney (Prime Minister): The Leader of the Opposition clearly believes in the novel principle of pre-arranging. We do not, and neither do Canadians. Nor do we believe in acting on unverified speculation in newspapers. The matter is—

Mr. Lapierre: It is your duty.

[*Translation*]

Mr. Mulroney: Yes, you are right. It is my duty. It is my duty to proceed in accordance with these guidelines. Today, the Deputy Prime Minister met with the senior Government official responsible who advised him that there was no conflict of interest. And now he is talking about ethical guidelines. I fail to see why any action should be taken on the basis of unfounded allegations by journalists, which in themselves do not warrant enforcement of the regulations.

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[*English*]

TRADE

IMPOSITION OF U.S. DUTY ON FISH IMPORTED FROM CANADA

Hon. Edward Broadbent (Oshawa): Mr. Speaker, my question is directed to the Prime Minister. We just learned at noon today from Washington that the first victim of the so-called clean launch free trade talks is Canada's East Coast fishery. The International Trade Commission in Washington has decided there will be a 5.8 per cent duty on Canadian whole fish exported from Atlantic Canada. What does the Government of Canada propose to do to look after the interests of our East Coast fishery?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, first of all it is the grossest of distortions to suggest that this decision had anything to do with the discussions on trade arrangements with the United States. Indeed, if those discussions are successful it may be that we will have in place a more effective instrument to protect Canadian interests. That is what we are looking to do.

GOVERNMENT POLICY

Hon. Edward Broadbent (Oshawa): Mr. Speaker, this decision has everything to do with free trade. What was under