

*Supply*

**Mr. Pelletier:** This was done neither by the Leader of the NPD nor by the Hon. Member's party.

**Mr. Clark:** It was done earlier by the Leader of the New Democratic Party. If the Hon. Member for Sherbrooke (Mr. Pelletier) wants to take part in this debate, he may. He kept silent during the constitutional debate and perhaps he will keep silent once more.

**Mr. Pelletier:** I did not keep silent. It is not the same in Eastern Canada.

**Mr. Clark:** Never!

**Mr. Pelletier:** This is what you are doing!

[English]

**Mr. Clark:** Let me speak, Sir, about the facts in this case. Let me deal with Mr. Gillespie. Let us first of all identify Mr. Gillespie. Alastair Gillespie is the former Minister responsible for the program which is in question here. He went out of Government in June, 1979. June 4, 1979, was the date when the two-year clock started to run. On December 6, 1980, that former Minister, Alastair Gillespie, wrote a letter, a "Dear Micky" letter to his former Deputy Minister. I will quote from the "Dear Micky" letter as follows:

Dear Micky:

As you know, I have been working on this project for some time. Indeed, it has taken rather longer than I expected, but I am now satisfied that we have a solid base from which to move forward. I have been encouraged by your support for the concept and your view that it would be regarded as a candidate for assistance under the "oil substitution fund", provided it had the support of the Nova Scotia government.

That is the relevant portion of the "Dear Micky" letter from the former Minister to his former Deputy Minister.

**An Hon. Member:** Signed "Alastair".

**Mr. Clark:** That is right, signed "Alastair". I remind you, Sir, of the guidelines regarding lobbying, prohibiting lobbying. The Prime Minister (Mr. Trudeau) has suggested from time to time that lobbying cannot occur with just one call, that lobbying has to occur over a period of time. That is his peculiar definition. Without arguing that for a moment—I believe it is an incomplete definition—let us accept the Prime Minister's own definition of lobbying and say that it has to occur over a period of time. Let me then quote again from Alastair Gillespie's "Dear Micky" letter, "As you know . . .", dear Micky " . . . I have been working on this project for some time." There is no question. It is there in the records, which the Government itself placed on the Table of the House of Commons, that lobbying had been going on for some time. The actions of Alastair Gillespie were in clear violation of the prohibition against lobbying within the two-year period.

**Some Hon. Members:** Hear, hear!

**Mr. Clark:** Another reference which is interesting to me is the specific reference to the Oil Substitution Fund. In my judgment, that specific reference to the Oil Substitution Fund in this letter is open to the interpretation that Mr. Gillespie

knew there was going to be a problem with the eligibility of his program for the oil substitution fund. The letter also refers, I remind the House, to earlier discussions. We do not know whether those earlier discussions dealt with the fact that the project which Alastair Gillespie was putting forward did not meet the criteria strictly, or there was doubt about it meeting strictly the criteria of the Oil Substitution Fund. His letter makes specific reference to that. It is open to the interpretation that that was designed to establish a case and to carry on the lobbying. That interpretation, unhappily, Mr. Speaker, has been confirmed because the agreement was later specifically changed to permit the Gillespie proposal. The Government's own document, among the documents which were released yesterday by the Prime Minister or the Minister of Finance, says this:

Canada-Nova Scotia-Scotia Coal Synfuels Project Agreement executed 25 September 1981 and effective retroactively to 30 June 1981. Since the 1977 Canada-Nova Scotia Agreement did not clearly state that coal liquefaction was included, the Oil Substitution Fund could not automatically be used. Hence Canada entered into this tripartite Agreement in part for the purpose of agreeing further with Nova Scotia that coal liquefaction was a valid use of the Oil Substitution Fund.

That was the result of the lobbying which occurred in the "Dear Micky" letter and other conversations of which there is no record in the House of Commons, but there is clear prima facie evidence of lobbying by Mr. Gillespie in a way which violated the conflict of interest guidelines which apply to former Ministers of the Crown.

**Some Hon. Members:** Hear, hear!

**Mr. Clark:** Again, what we are dealing with here is evidence of, and I quote, "improper influence, privileged access or preferential treatment". Those are the words of the guidelines. You will recall, Mr. Speaker, that the other day in this House of Commons I raised, and later made available outside, a Cabinet document which indicates that the Government's own official—

**Mr. Chrétien:** It is not a Cabinet document.

**Mr. Clark:** Then tell us what it is.

**Mr. Chrétien:** It is an internal memo, not a Cabinet document. Do you know what a Cabinet is?

**Mr. Clark:** I know what a Cabinet is. A Cabinet is a group of men and women with honour, and we do not have one in this country now.

**Some Hon. Members:** Hear, hear!

**Mr. Clark:** It was, Mr. Speaker, an internal memorandum, but it came from the officials of the Department of Energy, Mines and Resources, and it said that this particular project was not viable from an energy point of view, was not viable from an economic point of view. Also, it indicated very, very strongly the heavy weight of expert evidence against proceeding with this proposal. Yet, they proceeded with it. The