The best system in the world cannot exist unless human beings agree to be bound by it and to honour it at all times.

I thought we had made major improvements in past conflict of interest guidelines. I think there is general agreement that we had. Clearly the judge feels that we can improve further on them. In light of the comprehensive review he has made and the seriousness of his recommendations, and indeed the requirement for greater disclosure, I have commended the judge for the thoroughness of his inquiry and the seriousness of his recommendations, and I have indicated publicly the intention of the Government to act quickly in regard to them.

## ACTION TAKEN BY PRIME MINISTER

Mr. Jim Fulton (Skeena): Mr. Speaker, my question is also directed to the Prime Minister. During today's Question Period the Prime Minister is making it appear that if he had the report of the Parker inquiry on April 29, things might have been different. I think Members of the House view the situation somewhat differently.

This is not just a matter of available information. What we do know is that the Member for York—Peel admitted to the knowledge of the interest-free loan on April 29 and Judge Parker has said that from April 29 on there was a conflict of interest by any measure, not just by the measure of the guidelines that were in effect then.

Was it only political pressure that brought the Prime Minister to take action, because the action was not taken on the basis of information alone?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, the action I took was the appointment of the independent Royal Commission with full and complete access, something which is most unusual pursuant to actions in this House of Commons.

The reason I took this action was because I felt it was right and appropriate and in the interests of Canada and the Public Service of Canada and those of us who seek to serve the public that this be done. I appointed a royal commissioner and we gave him complete freedom to select as counsel whomever he wished, and to conduct his inquiry in the manner in which he wanted to, and he did a professional job. He brought in a major series of recommendations for improvements. That is why it was done, because it was in the national interest that it be done, and that is what motivated it.

(1150)

## STATEMENT ATTRIBUTED TO PRIME MINISTER

Mr. Jim Fulton (Skeena): Mr. Speaker, I think many of us in Canada felt, as we listened to the Hon. Member for York—Peel yesterday, that we were having a replay of Richard Nixon.

Some Hon. Members: Oh, oh!

Mr. Epp (Provencher): Come on, Jim.

## Oral Questions

Mr. Speaker: I wonder if the Hon. Member, especially on this subject, would stay away from argument in the preamble, set the facts and ask the question.

**Mr. Fulton:** Mr. Speaker, I think all fair-minded Canadians now know that two people failed in understanding the trust of public office.

After knowledge of the interest-free loan became public on April 29, 1986, the Hon. Member for York—Peel knew and the Prime Minister knew. As he left for his trip to the Orient, the Prime Minister said: "Don't worry about it. We are leaving the country. In a few days nobody will be talking about it." Why did he say that?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, that is not at all either the spirit or the approach that motivated me as my hon. friend can see from my appointment of the independent commissioner. The day after this allegation appeared, I left for Vancouver en route to Tokyo for the Economic Summit and an official visit to Japan. From there I went on to China and an official visit to Korea, and then back home. The day after this appeared I was effectively out of the country for some two or three weeks representing Canada at the Economic Summit and on these official visits.

During the course of that trip, information was provided to me as it arose from time to time. On the basis of new information, I felt that the appointment of a completely independent commissioner was appropriate. It was for that reason that I acted in a manner which I think was clearly in the national interest.

## PAYMENT OF FORMER MINISTER'S LEGAL FEES

Ms. Sheila Copps (Hamilton East): Mr. Speaker, my question is also directed to the Prime Minister. He failed to answer a question from the Hon. Member for York Centre in this respect. Agreeing that the Prime Minister said he accepts the findings of the Parker Commission, we saw the spectacle of the former Minister thumbing his nose yesterday at the commission, thumbing his nose at Members of Parliament thumbing his nose at the media, aided and abetted by his lawyer who challenged the credibility of the Royal Commission.

Was Mr. Sopinka, in his capacity as legal counsel at the press conference for Mr. Sinclair Stevens, paid by the Government of Canada? In addition, will the Government continue to underwrite the cost of this incredible claim by the Minister that he has absolutely nothing to hide and he is going to appeal this decision? The Prime Minister cannot say he agrees with the findings of the inquiry and continue to pay the legal bills of the person who claims those findings are false.

Hon. Ray Hnatyshyn (Minister of Justice and Attorney General of Canada): Mr. Speaker, first let me say that I am sure the Hon. Member is not suggesting that, notwithstanding the fact there has been a finding by the Royal Commission, the Hon. Member for York—Peel is not able to state his legal