

Fiery PM stays vague on loan



Olympic spirit

College Heights elementary students mush through the snow Friday during their version of an Olympic sled dog race. The event was part of the students' own Olympic games with groups representing all 59 countries competing in the Calgary games, which begin next Saturday. The students competed in 14 events such as snowshoe and bobsled races along with a hockey showdown and a tug of war. Flags from all the different nations brightened the school's gymnasium for the the "official" opening ceremonies. Citizen photo by Dave Milne



Charge laid in 1981 murder by JULIAN BELTRAME and LES WHITTINGTON

Southam News HALIFAX — Prime Minister Brian Mulroney tried to end a week of scandals over his govern-ment's ethical behavior Friday, lashing out at critics as people of ne here no honor.

In a fiery, campaign-style speech before 1,600 Tories here, Mulroney broke his silence in the wake of accusations he did not register a \$324,000 loan, breaching the same conflict-of-interest guidelines that led to Supply and Services Minister Michel Cote's firing Tuesday.

"Criticism and personal attack is always there, but in the end it's the nation-builders who will prevail," he said.

"History will pay little attention and no honor to those who traffic in smear and half-truths."

While the prime minister went on the attack, he offered no elabo-ration on his "advance" from the PC Canada Fund to refurbish the prime minister's two official residences at 24 Sussex Drive and Harrington Lake.

Earlier in the day, the prime minister's press secretary told reporters Mulroney did not register the "advance" because "there was no need.'

Marc Lortie said the money was not a loan and so fell into a sepa-

'Strictly of a personal nature'

Out of a total of \$324,000, \$158,000 was advanced as a loan and repaid by Mulroney, David Angus, the party's chief fund-raiser, said last year.

In a letter to the Globe and Mail published April 22, 1987, Angus said, "Mr. Mulroney has reimbursed the PC Canada Fund for expenses which were strictly of a personal nature.

Friday, the PMO released the full text of the Angus letter, along with a statement saying "no element of a loan entered into these arrangements, which were normal advances against expenses, and were pursuant to the long-standing practice between the Conservative party and its leaders.'

Both the Liberals and NDP raised the matter repeatedly in the House of Commons.

after

rate category than the \$250,000 loan that proved the undoing of Cote.

The prime minister fired Cote Tuesday after he learned the Que-bec minister had not registered the loan as required by the prime minister's conflict-of-interest rules.

An official of the associate deputy registrar general's office was quoted Friday as saying that money received as an advance was still a liability and should be reported under the guidelines.

Mulroney told his audience Fri-day he will continue, "to insist on the highest standard of ethical con-duct in government," but added that regardless what guidelines are in place, the government cannot perfect human nature.'

However, he repeated a pledge to introduce new, more comprehen-sive conflict-of-interest guidelines in the "near future."

Mulroney's speech capped a day in which the Liberals and New Democrats tried to drag the prime minister into the atmosphere of scandal around the Conservative government by claiming he broke his own guidelines.

They zeroed in on the PC Canada Fund money provided in 1984 and 1985 to renovate the prime minister's official residences at 24 Sussex Drive and at Harrington Lake.

saying the money for Mulroney came from a sort of "petty cash"

fund In Halifax, Lortie would not divulge the details of the advance, which he called a "private arrangement" between the PC Cana-da Fund and Mulroney. "There were some expenses that

were considered that should not be paid by the government, but by the prime minister," he said. "The bills that were considered

private matters were reimbursed by the prime minister."

Lortie would not say how long it took Mulroney to repay the advance, but said it was a matter of weeks

Friday afternoon, NDP leader Ed Broadbent released a personal letter to the prime minister asking him to clear up questions about esignation he cont over Energy Minister Marcel Masse's election spending and the funds for Mulroney. "These matter are extremely serious" and "Canadians deserve nothing less than full disclosure of the facts in a statement from you in the House of Commons on Monday," Broadbent wrote. Liberal leader John Turner, in Vancouver for a party conference, said, "Technically, I suppose, under the guidelines, he (Mulroney) might have registered that loan. That was the issue he used to dismiss Mr. Cote."

months to complete an investigation of a man wanted in Canada in connection with an explosion at a Tokyo airport in 1985 that killed two baggage handlers.

A British court decided today to delay the extradition hearings of Inderjit Singh Reyat until April 5. He was remanded in custo-

Reyat was arrested Friday

REYAT in Coventry by REYAT members of the West Midlands police who conducted a long investi-gation on behalf of the RCMP.

Canadian authorities want Reyat extradited to Canada to face eight charges stemming from the Narita blast on June 23, 1985. It occurred when a bomb hidden in a suitcase exploded as the suitcase was being transferred to an Air-India flight from a CP Air jetliner that had arrived from Vancouver.

The charges include the manslaughter of baggage handlers Hideo Asano and Hideharu Koda.

Clive Nichols, a lawyer for the Canadian government, told the court today the prosecution plans to show that Reyat, 35, made the bomb that was put on the CP jet. Nichols told the court the investi-

HERMAN

the request following a 10-minute appearance by Reyat in a small courtroom packed with spectators and reporters.

Dressed in a dark blue coat and black turban, the black-bearded Reyat sat quietly and displayed no emotion as Nichols reviewed the charges against him.

On the same day as the Narita blast, an Air-India Boeing 747 jetliner flying from Toronto and Montreal crashed in the North Atlantic off the coast of Ireland, killing all 329 people on board.

Investigations into the crash concluded that a bomb ripped through the cargo hold of the jetliner as it was flying to London for a refuelling stop before going to Bombay.

A West Midlands police official said Reyat is a Sikh who has lived in Canada as well as Britain.

The evidence Canadian authorities plan to present in April will include statements from Canadian and Japanese witnesses, said Nichols.

However, many of the statements from Japanese citizens have not been gathered, and therefore authorities need an extra two months to complete their case, he said.

In addition, the evidence will include "minute forensic information from the debris" gathered at the site of the bomb blast and "mat-

SCHOOL OF DOROVONE

"Remember what you learned

yesterday. You've got to sit up here

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behind the wheel.'



He did not elaborate on the "associated matter."

Reyat's lawyer, Harjit Singh, asked the judge to restrict reporters who are trying to contact members of Reyat's family. The judge refused.

Abortions require approval

Citizen news services VICTORIA — British Columbia hospitals won't qualify for medi-care payments for abortions unless they ensure the procedure is medically required, a Health Ministry

spokesman said Friday. Andrew Hume said it is up to each hospital to ensure a mechanism is in place to determine if an abortion is medically required.

If there is no such mechanism, the hospital will not be eligible for payment, he said.

The B.C. Medical Association said earlier in the week it would recommend to its members that they refuse to serve on hospital abortion committees. The Canadian Medical Associa-

tion took a similar stance, saving the recent Supreme Court of Canada ruling striking down abortion laws means the therapeutic abor-tion committees established in hospitals no longer have any legal standing.

Administration at Prince George Regional Hospital said last week its therapeutic abortion committee, consisting of no less than three physicians, will remain in place along with set guidelines unless the health ministry requests changes in the system.

Hume said the ministry has prepared an options paper on the abortion issue. He said it outlines various choices the government can make in regard to abortion funding.

Edward Dennis Issac, 30, of Fort St. James, has been charged with first-degree murder in the 1981 death of Jean Mary Kovacs of Prince George.

He is expected to appear in

court next week. The next step, after the initial court appearance, in the judicial process is for a preliminary hearing to be set. At the hearing the Crown's case will be looked at to see if the evidence justifies a trial.

In November, Prince George RCMP assigned a four-man investigative team to do a full review and further investigation of the case.

After about 21/2 months of investigation and interviewing about 100 people, the case was completed, Staff Sgt. Elles Peleskey said Friday.

"On the basis of the evidence contained in the file prepared by the RCMP, the Crown has decided Issac should be charged," said deputy regional Crown counsel Oleh Kuzma.

Kovacs was last seen alive at about 1:30 p.m. Oct. 10, 1981 at the intersection of Highway 16 East and the Old Cariboo Highway, near Airport Hill.

The partly-clad, mutilated body of the 36-year-old native Indian was found the next day by a man gathering firewood near Purden Lake, about 40 kilometres east of Prince George.

The 36-year-old mother of three had been shot in the head with a .22-calibre bullet.

More than 1,000 people were interviewed in the following month. In the year following, more than 12,000 people were questioned by the RCMP and 300 suspects were interviewed. The investigation continued with thousands of people being interviewed since.

Liberal MP Don Boudria reading from the Angus letter, "One can only reimburse said. something that was borrowed to start with.

In a reference to Cote's firing, Boudria asked, "Why is there a different set of rules for one cabinet minister for borrowing \$250,000 than for another one?

Glowering, Deputy Prime Minister Don Mazankowski insisted it was "not a loan in the traditional sense" and accused the opposition of mounting a witchhunt.

At one point, Mazankowski drew guffaws from the opposition by

More suspicion clouds Waldheim

by Associated Press The Times of London newspaper

said Friday it has found a British Foreign Office letter saying six British prisoners believed executed by the Nazis were handed over to Kurt Waldheim's German army unit shortly before they disappeared.

In another report on the controversy surrounding the Austrian president's wartime past, the New York Times newspaper said a newly found German army dispatch shows Waldheim knew more about Nazi atrocities than he has

acknowledged. But Waldheim also criticized some killings of civilians in Greece in 1944, said the dispatch, disclosed by a South Carolina historian.

Six historians commissioned by the Austrian government to investigate allegations Waldheim was involved in Nazi war crimes during the Second World War are due to present their report shortly.

Waldheim's wartime service in the German army in the Balkans was first disclosed in March 1986. Waldheim, who was secretary general of the United Nations from 1972 to 1982, was elected president of Austria in June 1986.

Waldheim has consistently de-

nied any link with, or knowledge of. Nazi atrocities during his Balkan service from 1942 to 1945.

The New York-based World Jewish Congress and other critics have accused him of involvement in massacres of civilians and have said he knew of deportations of Jews to Nazi death camps.

Austrian Chancellor Franz Vranitzky was quoted in the Paris newspaper Le Quotidien on Friday as saying his government could not force Waldheim to resign, even if a commission found that he participated in Nazi war crimes.

The Times of London said the letter to the stepfather of one of the six captured British commandos said they were handed over to representatives of Lt.-Col. Herbert Warnstorff, Waldheim's immediate superior in a German intelligence unit.

The Times speculated one of the two representatives was Waldheim.

The newspaper said seven British servicemen were captured by German forces while on a secret mission in the Greek Dodecanese islands in April 1944. Six of them subsequently disappeared and were almost certainly executed by German secret police, it said.