

services to the new airport just as soon as the site has been determined. I will announce that site just as soon as the studies have been completed, and as I indicated earlier this is likely to be in early September.

**Mr. Alexander:** The final supplementary question, Mr. Speaker.

**Mr. Speaker:** Order, please. We have reached the end of the question period, but I think in fairness to the hon. member for Brandon-Souris he should be recognized.

### MANPOWER

#### OPPORTUNITY FOR STUDENTS FROM RURAL AREAS TO OBTAIN EMPLOYMENT WITH GOVERNMENT

**Hon. W. G. Dinsdale (Brandon-Souris):** Thank you for your consideration, Mr. Speaker. Perhaps I can ask my question and supplementary question at the same time in order to save time. My question is directed to the Minister of Manpower and Immigration. Has the hon. gentleman received complaints from students in rural areas to the effect that it is more difficult for them to obtain employment with the government of Canada compared with students from the urban parts of Canada? If so, in view of the severe economic problems in the rural parts, would the minister investigate this matter?

**Hon. Allan J. MacEachen (Minister of Manpower and Immigration):** Mr. Speaker, I have received no complaints from such students, but I will look into the point raised in any event.

**Mr. Speaker:** Orders of the day.

### GOVERNMENT ORDERS

#### INDUSTRIAL RESEARCH AND DEVELOPMENT INCENTIVES ACT

##### AMENDMENTS RESPECTING ASSOCIATED CORPORATIONS, RECOVERY OF GRANTS, CONTENTS OF AGREEMENT, ETC.

House in committee of the whole on Bill C-193, to amend the Industrial Research and Development Incentives Act—Mr. Pepin—Mr. Faulkner in the Chair.

On clause 1—*Associated Corporations.*

**The Chairman:** Order. House in committee of the whole on Bill C-193, an act to amend the Industrial Research and Development Incentives Act. Shall clause 1 carry?

#### *Industrial Research and Development Act*

**Mr. Harkness:** Mr. Chairman, before clause 1 carries—

**The Chairman:** Order, please. Can we have order in committee of the whole? Perhaps some of the conversations might be carried on outside the chamber.

**Mr. Harkness:** Mr. Chairman, before clause 1 carries I wonder whether the minister would make a little more clear than he did in his speech on second reading of the bill on March 23 the necessity for this particular change. At that time the minister said, as reported at page 5357 of *Hansard*:

For example, two companies have been disqualified for grants which otherwise would have totalled \$176,000 and 15 other companies have suffered reductions in grants totalling \$325,000 because of the associated companies provision.

Would the minister explain what the circumstances were as far as these two companies were concerned, and how this particular amendment to the act will change the situation? If this explanation does not extend to the other 15 companies, then what is the difference between the two companies on the one hand and the 15 on the other, both of which groups were disqualified under the act?

**Mr. Pepin:** Mr. Chairman, this is a very complicated subject; I think that much is granted.

**Mr. Harkness:** I expect that is why I do not understand it.

**Mr. Pepin:** Perhaps that is why I may not be able to explain it too well myself. The intention of the act is to assist industrial research and development. However, it is not intended to offer any special favour to companies that are associated. Under the original act such associated companies cannot receive more because of their association than they would receive without it. But they should not be penalized because of it, either. That is the purpose of the suggested amendment.

For example, let us say that three associated companies, A, B and C, are dealing together at arm's length. Perhaps one of these companies that should be assisted is not being assisted or is being assisted less because of its associated status with the other two. We want to leave the matter of deciding if they are or are not "at arm's length" to the discretion of the minister. I have been reminded by the hon. member for Prince Edward-Hastings, that I should be very virtuous in this regard, and I promised to be so. In such circum-