

Oral Questions

Mr. Trudeau: That is the fact.

Mr. Baker: Some free advertising.

Mr. Trudeau: Mr. Speaker, I think this is the proper way of proceeding. Had Mr. Chapman not warned me in advance I would think there might be some questions from over there, but he has told me he is going to seek separation from my office and go to work in other fields. I think this is perfectly honourable conduct, and I would like to know what is reprehensible about it.

Some hon. Members: Hear, hear!

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, if I quoted something from the press which turns out to be inaccurate, that, of course, can be corrected. But I ask the Prime Minister if it is not a fact that in his discussion about conflict of interest he has himself called for full disclosure, and will he arrange for a full disclosure on the part of Mr. Chapman of any interest he now has, pecuniary, or otherwise, in the consulting firm that has been given this contract?

Mr. Trudeau: Mr. Speaker, the hon. gentleman missed my answer. I indicated that Mr. Chapman had precisely made that disclosure to me. He told me he had no connection whatsoever. He had been in discussion with these people. He indicated to me that there was an interesting future for him there and that he intended to resign from my office at the end of the month and seek employment there.

Mr. Speaker: The Chair will recognize the hon. member for Winnipeg North Centre for a second supplementary, after which I will see the hon. member for Egmont.

Mr. Knowles (Winnipeg North Centre): As a last supplementary question, Mr. Speaker, may I ask the Prime Minister if it is not true that Mr. Chapman's having a job agreed to and arranged for is in fact a connection with that firm?

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REGIONAL ECONOMIC EXPANSION

ATLANTIC REGION—CEILINGS ON CAPITAL COST AND DIRECT JOB INCENTIVES—CONSULTATIONS WITH PROVINCES ON INCREASES

Mr. David MacDonald (Egmont): Mr. Speaker, my question is directed to the Minister of Regional Economic Expansion. In view of the fact that the Atlantic region, one of the designated regions under the minister's department for special development assistance, is being hurt increasingly by growing unemployment and rising costs, particularly related to energy, an important component in industrial development, has the minister consulted with the premiers and the ministers of industry in the Atlantic provinces about the reduction, as of the end of 1973, of capital costs from 35 per cent to 25 per cent, and of direct job provisions from \$7,000 to \$5,000, with the view that some appropriate increase must take place to offset rising costs in particular?

[Mr. Trudeau.]

Hon. Donald C. Jamieson (Minister of Regional Economic Expansion): Mr. Speaker, I have had conversations, both in a general way and in a specific way, on the energy question with the appropriate minister, at least in the province of Newfoundland. The figures the hon. member quoted are, of course, the maximum figures. They do not necessarily reflect what has been given in the past. I have asked our incentive people, in terms of working out a new formula for incentives under the Regional Development Incentives Act, first of all to see what changes might be desirable in terms of these levels and also to take the cost of energy in production into account in determining the level of grants we might give. In other words, while the ceiling was 30 per cent or 35 per cent in some instances, it very rarely reached that figure so that I do not believe the reduction will have a significant effect on the actual level of grants made.

Mr. MacDonald (Egmont): Can the minister indicate whether there has been any lessening in terms of industrial activity and expansion in the region, or whether there has been any specific request from provincial governments with regard to the restoration of this ceiling in order that there will not be an increasing disadvantage for industrial development in the Atlantic region?

● (1150)

Mr. Jamieson: Mr. Speaker, on the specific question, the answer is no. I might point out to the hon. member that 25 per cent was, of course, the ceiling until such time as Montreal and the Montreal area were designated for a very limited period. At that time the Atlantic provinces representatives suggested they would prefer to be with the 25 per cent and have Montreal dedesignated, so when we dedesignated Montreal this automatically brought it back to the former level. There is no representation in that regard at the moment, but there are a number of conversations going on with all four Atlantic provinces with regard to specific and major undertakings. I might say, with your indulgence, Mr. Speaker, that one of the questions I discussed only recently is the whole question of the lower Churchill Falls development and the utilization of that energy particularly in the province of Newfoundland.

Mr. Speaker: Order, please. Practically all the members on my left have risen. There are about ten minutes before the end of the question period. I will recognize the hon. member for Dartmouth-Halifax East, if he will be patient, in a moment, but I remind hon. members that there are just ten minutes before the end of the question period and it is difficult to expect that all members who rose a moment ago can be recognized.

HALIFAX AND DARTMOUTH—INQUIRY AS TO APPOINTMENT OF OFFICERS OF METROPOLITAN AREA GROWTH INCENTIVES CORPORATION

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, my supplementary question is for the Minister of Regional Economic Expansion. Inasmuch as enabling legislation with regard to MAGI, the Metropolitan Area Growth Incentives Corporation for the metropolitan area of Halifax and Dartmouth, was passed by the House in September, 1972, and inasmuch as we have yet to have a