

The question that I put to the minister, which was also put by Senator Smith in a supplementary, was directed at finding out whether the transaction involving Petro-Canada and BP Canada was or was not approved by the Governor in Council. A simple yes or no would have sufficed.

**Senator Olson:** Honourable senators, I can get that kind of an answer for Senator Murray if he would contain himself slightly and ask the question in those terms. Of course, he did not do so. If he wants to draw in all kinds of "if" and "if not" insinuations, then, of course, it becomes necessary to be precise in the reply to his question.

**Senator Flynn:** But you were not precise.

**Senator Olson:** I have been very precise in offering him and identifying for him the clauses that he can read with respect to the legal connection between the Governor in Council and Petro-Canada.

**Senator Flynn:** But you did not reply to the question.

**Senator Olson:** It may be a bit of backfiring on this so-called smart-alec attitude. I am sorry if that happens to Senator Murray, but if he wants to ask questions which require precise and accurate answers, then he will have to expect precise and exact answers.

**Senator Flynn:** There is no guarantee of that with you.

## AIRLINES

### QUEBECAIR—GOVERNMENT POLICY

**Hon. H. A. Olson (Leader of the Government):** Honourable senators, I have a delayed answer to a question which was asked by Senator Tremblay on November 25 concerning a clarification of the Quebecair proposal made by the Minister of Transport to the Government of Quebec.

Honourable senators, last Thursday the Minister of Transport sent a supplementary telex to Mr. Michel Clair, Minister of Transport of the Province of Quebec, providing the clarification asked for by Mr. Clair.

I would like to have that telex incorporated as part of this answer, since it clears up many of the grey areas alluded to by Senator Tremblay in his question.

**The Hon. the Speaker:** Is it agreed, honourable senators?

**Hon. Senators:** Agreed.

*(The telex follows:)*

November 25, 1982

### TELEX—IMMEDIATE DISPATCH

The Honourable Michel Clair  
Minister of Transport  
Government of Quebec  
Édifice du Parlement  
Québec (Québec)

Further to our telephone conversation of Tuesday, I think it is important to reiterate my position on those matters you raised re the proposal to create Quebecair 2.

With regard to its role, the new airline will serve both jet and non-jet routes. My telex of 22 November referred to the need for some rationalization of intra-provincial routes. I subsequently stated publicly that this applied specifically to Air Canada routes; that was one of the reasons for my insistence that Air Canada play a major role, particularly in Quebecair 2's establishment and in the initial phase of its operations, otherwise acceptance of the changes in the communities affected might not be forthcoming.

In response to the concerns you expressed about the nature and extent of Air Canada's role, a removal of the management of Quebecair by Air Canada is not intended. What will be required is the integration of a very limited number of executives from Air Canada with Quebecair's management.

You also asked me if I would consider agreeing to the reorganization of the present Quebecair rather than establishing Quebecair 2. You claim this could be done without placing the carrier in such a poor financial and operational position that it would have no hope of being a viable company. In my view, this would not be possible, taking into consideration the heavy debts and obligations of Quebecair. Indeed, your statement that your government has actually committed some \$28m to Quebecair only fortifies my conclusion that a restructuring of the present Quebecair is not the solution.

Jean-Luc Pepin  
Minister of Transport

## CUSTOMS TARIFF

### BILL TO AMEND—SECOND READING

The Senate resumed from Tuesday, November 23, the debate on the motion of Senator Barrow for the second reading of Bill C-90, to amend the Customs Tariff and to repeal certain acts in consequence thereof.

**Hon. Orville H. Phillips:** Honourable senators, I would first thank Senator Barrow for the explanation he gave when he moved the second reading of this bill. In his remarks, he divided the bill into a number of sections: a no-tariff classification, the general preferential tariff; provisions respecting goods for the use of the disabled; the reduction or removal of duty on goods used by dentists or dental laboratories; provisions respecting metrication; and the Canada-New Zealand Trade Agreement.

● (2030)

Our customs tariffs are becoming fairly lengthy in their descriptions. We now have the British Preferential Tariff and the General Preferential Tariff. The new sections now bring us up to five, I believe. Soon we shall need a computer to keep track of the tariff classifications.