

Oral Questions

discussion. I presume his response today applies to the west coast and to Georges Bank.

● (1452)

Would the minister tell this House, now, how negotiations are proceeding between Canada and France with regard to Saint Pierre and Miquelon, and if the question of Georges Bank goes to third party arbitration will this area of dispute also be included for arbitration, and where will this arbitration be held?

Hon. Donald C. Jamieson (Secretary of State for External Affairs): Mr. Speaker, the two issues are totally unrelated. The negotiations with the government of France with regard to some delineation relating to St. Pierre and Miquelon have involved two meetings, as I recall, over the last few months. The talks have been quite amicable and there have been no tensions at all. There is still a great deal of talking to be done. Therefore, we are proceeding and will continue to do so on that particular issue. The question of third party arbitration regarding St. Pierre and Miquelon has not come up and it would be hypothetical to even postulate that likelihood.

With regard to the situation of Georges Bank, I think that the hon. member is aware that when I answered him before I said negotiations were continuing. A set of meetings were held early this week between the negotiators and, I believe, as of yesterday there were consultations between the governments of the provinces concerned on the east and west coasts and also the fishermen's representatives.

We are trying to be very comprehensive in the consultation process, and this is designed to bring it to the point—and I repeat—where during Mr. Vance's visit, or shortly thereafter, we may be able to make a mutually satisfactory decision on how the final settlement is to be brought about.

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TOURISM**NEGOTIATIONS WITH UNITED STATES ON TAXING OF CONVENTIONS**

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, my question is to the Minister of Industry, Trade and Commerce in his capacity as the minister responsible for tourism.

Was the minister able to report to the provincial ministers of tourism, with whom he met this morning, on the progress and/or resolution of the problem with the United States in terms of the tax convention, whereby offshore conventions in the United States no longer qualify as a business expense? This has caused a lot of irritation and loss of revenue to our tourism industry in Canada.

Hon. Jack H. Horner (Minister of Industry, Trade and Commerce): Mr. Speaker, I will be meeting with my counterparts in the field of tourism tomorrow morning, and I hope then to give them a report on the situation. The people concerned in the United States have already made some

[Mr. Crouse.]

modification in their law with regard to conventions outside the country.

I would also add that Canada has had a tremendous growth in tourism this year from offshore countries: it is up by 20 per cent over last year. There has also been a decline in the number of Canadians visiting the United States. Our tourist picture has improved substantially.

Mr. Nowlan: Mr. Speaker, I thank the minister for his brief report on the state of tourism in Canada. Perhaps he will submit a longer one on motions, when it would be more proper. We on this side do not like to tolerate things either, in view of some of the things said in this House in the last two or three days.

In the discussions which the minister has had—perhaps this question should be directed to the Secretary of State for External Affairs—with the United States, have they confronted either the minister or the Secretary of State for External Affairs with their problem, that before there are any concessions on the tax convention for offshore conventions, Canada will have to give something in terms of Bill C-58, the broadcasting expense problem?

Mr. Horner: Mr. Speaker, the hon. member has made a lengthy representation of which I have taken note.

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AIR CANADA**SERVICE IN NORTHERN ONTARIO**

Mr. Paul E. McRae (Fort William): Mr. Speaker, my question is to the Minister of Transport and Minister of Justice. Yesterday, the Leader of the Opposition indicated that it was the policy of his party to replace Air Canada with regional carriers, and he specifically mentioned northwestern Ontario and southwestern Ontario. When the question was asked of the minister about specific points—North Bay, Sudbury, Timmins, Sault Ste. Marie and Thunder Bay—with regard to a move from those communities, he evaded the question completely: he did not mention Air Canada or the communities.

Some hon. Members: Order.

Mr. McRae: Would the Minister of Transport and Minister of Justice affirm that the government has no intention of removing Air Canada service from any of these communities?

Hon. Otto E. Lang (Minister of Transport and Minister of Justice): Mr. Speaker, I can assure the hon. member that the government has no such intention. Any such change would require an application by Air Canada before the Canadian Transport Commission and they would then make a judgment on the matter.

However, the matter is academic at the present time because Air Canada itself is very conscious of the fact that those communities in northern Ontario wish to continue to be