

delay is the result of indifference, or arrogance toward the monarchy, or not?

Some hon. Members: Oh, oh!

Mr. Diefenbaker: These little fellows over there are nonentities unless they interrupt in this way.

Why, for one year, was there no answer to the inquiries by the Ontario government until Nova Scotia indicated an interest, which I approve of entirely?

Some hon. Members: Oh, oh!

Mr. MacEachen: Mr. Speaker, I do not, personally, believe that the lapse of time in dealing with this matter was that great.

Mr. Diefenbaker: It was. Every word is correct.

Mr. MacEachen: The request from Ontario, like other requests from groups in Canada, must be placed in the over-all context of the availability of the person invited to Canada.

Mr. Diefenbaker: Why was there no reply?

Mr. MacEachen: As the right hon. gentleman knows, at one time royal visits to Canada were rare and rather historic events. It ought to be placed on the record that since the present Prime Minister took office, the number of royal visits has increased very significantly, indicating the warm attitude which the Prime Minister and his government show toward the monarchy.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

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FINANCE

SMALL BUSINESS TAX DEDUCTION

Mr. B. Keith Penner (Thunder Bay): Mr. Speaker, my question is directed to the Minister of Finance. Is the minister aware of the widespread concern among bona fide, small employers in the service sector that they may no longer qualify for the small business tax deduction upon the enactment of the proposed revisions to the Income Tax Act?

Can the Minister of Finance clarify, for the peace of mind of these small employers, such as real estate agencies and insurance agencies, whether or not they will continue to be eligible for the small business tax deduction?

Hon. Jean Chrétien (Minister of Finance): Mr. Speaker, I think it is very important that these small businesses which have employees be able to qualify for the small business tax deductions and I hope to table legislation in the House of Commons in that regard very soon. What we are trying to do is make sure that people who derive their income from one employer do not incorporate themselves to qualify for this low

tax rate. We have to clarify some sections in this regard, but of course, any bona fide small business with employees would certainly qualify.

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[Translation]

URBAN AFFAIRS

CMHC INSPECTION AND PLANNING

Mr. Geoff Scott (Hamilton-Wentworth): Mr. Speaker, my question is directed to the Minister of Public Works and Minister of State for Urban Affairs. I gave him notice of it.

[English]

Mr. Speaker, my question follows exchanges in the House last week when the minister described cases of faulty inspections and bad planning by CMHC as isolated incidents. Is the minister aware of a corporation-funded condominium development in my riding, at 100 Quigley Road, which is literally sliding into the Red Hill ravine, costing the unit owners \$30,000 to shore up immediately?

Can the minister confirm that CMHC refuses any liability and will not assist in financing repairs to this dangerous erosion because it might, as one of his officials told me, open up the floodgates in terms of a precedent for similar projects across the country?

● (1442)

[Translation]

Hon. André Ouellet (Minister of Public Works and Minister of State for Urban Affairs): Mr. Speaker, my answer is yes to both parts of the question of the hon. member.

[English]

Mr. Scott (Hamilton-Wentworth): Mr. Speaker, may I ask the minister, on behalf of these financially hard pressed home owners—who were, after all, not responsible for this Quigley Road mess in the first place—who is responsible to ensure quality of workmanship and materials: is it CMHC, or the local contractors, and why can neither be held responsible for obvious planning problems?

[Translation]

Mr. Ouellet: Naturally, Mr. Speaker, I cannot give a legal opinion in the House but I believe recommendations have already been made by some local authorities to the persons concerned in Hamilton. Clearly, they should consult a lawyer to find out what their rights really are. It seems obvious to me that there is a prima facie case against the building contractor and also, after having consulted their lawyer, that they should perhaps determine whether they should not also sue the city.