

goods and services tax will do, why it is good for the economy, what impact it will have on various sectors and regions of the country, and so on.

The third question is on business investment. Our estimates are that there will be a significant increase in business investment as a result of this tax. It is equivalent, as I have said previously, to a 4 per cent investment tax credit. However, we believe that the transition to this new tax will not upset business investment over the next two years.

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### ATLANTIC CANADA OPPORTUNITIES AGENCY

#### CANADA-NOVA SCOTIA OFFSHORE DEVELOPMENT AGREEMENT

**Mr. Ron MacDonald (Dartmouth):** Mr. Speaker, my question is for the Deputy Prime Minister. Once again the Government's negligent handling of the \$200 million offshore development trust in Nova Scotia has reared its ugly head and caused new controversy.

Given that the Prime Minister said in this House on Wednesday in response to the latest controversy that it was "a proper investment of public funds", could the Deputy Prime Minister tell us what assessments were done on these projects to ensure as per the federal legislation that they were offshore oil and gas related?

Did this process also include seeking the concurrence and approval of members of the federal Cabinet from Nova Scotia, or was this Government so negligent as to hand the Nova Scotia Government a blank cheque with no strings attached?

**Hon. Jake Epp (Minister of Energy, Mines and Resources):** Mr. Speaker, in reply to the Hon. Member's question, I know he alluded only to one of the controversies that has been raised by the Opposition in the House this week on the Canada-Nova Scotia Offshore Agreement. If the Hon. Member does some closer checking, he will find that the widening of the Stellerton-Chief Harbour Highway is well within the responsibility and daily work of a highway department. I will also say—

**An Hon. Member:** What happens when you hit the river?

**Mr. Simmons:** Go and have a look at it.

### Oral Questions

**Mr. Epp:** Do you want an answer?

**Mr. Tobin:** The truth.

**Mr. Epp:** I am giving you the truth, Brian.

**Mr. Charest:** Mr. Speaker, order.

**Mr. Epp:** You know better than that.

**Mr. Wilson (Etobicoke Centre):** No, I don't think he does know better than that. It is the same old Tobin.

**Mr. Epp:** If the Hon. Member checks the record it will be very clear. When the Public Accounts Committee meets, I believe on June 26 and June 27 and this issue is before it, it will find that the widening of the highway was done both properly and legally, and I think the facts will bear that out.

**Mr. MacDonald (Dartmouth):** This Member is not opposed to proper development in Nova Scotia, but I am opposed to the abuse and misuse of this trust to benefit the friends of the Government such as the \$2.5 million real estate development that was outlined in the Auditor General's report in December.

### PUBLIC INQUIRY—GOVERNMENT POSITION

**Mr. Ron MacDonald (Dartmouth):** Mr. Speaker, my question is again to the Deputy Prime Minister. Given that the Auditor General continues to stand by his statements concerning this fund and its misuse, will the Government now consent to a full, open, and public inquiry into the disposition of this fund, or will the Government continue to be a willing accomplice in the cover-up of the pillaging and mismanagement of the Canada-Nova Scotia offshore development fund?

**Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture):** Mr. Speaker, perhaps the Hon. Member can clarify to the House what projects he is in favour of and what projects he is not. I understand that the ones that are in the Liberal ridings are quite okay—

**Some Hon. Members:** Oh, oh!

**Mr. Mazankowski:**—such as the Sydport International Free Trade Zone, the North Sydney Industrial Park, Highway 125, the Sydport Access Road, the Woodside Ferry and related infrastructure, St. Martha's Hospital, Northside Industrial Park, Phase II, Cossit Heights Park, Highway 107, East Petpeswick Bridge, and Metro Computer Traffic Control. Those are all projects that are