

picking of Air Canada, because I do not agree with those arguments being put forward. I think we make a good case in relation to our long-term, long-standing position at Heathrow, having regard to the fact that three American airlines which are also there are not being asked to move. Therefore, we resist the United Kingdom's argument about convenience of traffic diversion. I would say that I do not see a direct connection between that issue and the issue of access by British Airways to western Canada.

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[Translation]

AIRPORTS

INQUIRY WHETHER ANNOUNCEMENT WILL BE MADE ON IMPROVEMENTS TO AIRPORTS IN GASPÉ PENINSULA

Mr. Albert Béchard (Bonaventure-Îles-de-la-Madeleine): Mr. Speaker, my question is directed to the Minister of Transport. Could the minister advise the House whether he is or will be shortly in a position to indicate to the people of the Magdalen Islands and their elected representative, as we are approaching Christmas, that he has a fine present in store for them concerning air transport in this part of my constituency, and announce for instance the improvement of the landing strips, the installation of air navigation aids and the construction of adequate airport facilities? Could he also advise the House what his department's priorities are for airports of the southeastern Gaspé area, including that in Bonaventure.

[English]

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, I am not sure whether I will be able to make such an announcement in time for Christmas, which I know the hon. member would very much like. I will review the situation in an urgent way to see whether his desire in that regard can be met.

As he knows, I have been giving special consideration to some of the ferry services in that area. I hope that, at least, has been some good news.

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NATIONAL REVENUE

SALES TAX REBATE ON INVENTORIES OF MANUFACTURED GOODS

Mr. A. D. Alkenbrack (Frontenac-Lennox and Addington): Mr. Speaker, my question is for the Minister of Revenue and Minister of State (Small Business): it concerns the recent reduction of 3 per cent in the federal sales tax on manufactured goods. This question was raised today by the hon. member for York-Simcoe and in the way of a Standing Order 43 motion by the hon. member for Red Deer.

Considering the certainty of great financial loss to certain businesses such as automobile and machinery dealers who have substantial inventories on which the old 12 per cent sales tax

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has been paid, will the minister indicate whether he is considering some form of adjustment in the sales tax formula that would minimize the financial loss of those businesses?

Hon. A. C. Abbott (Minister of National Revenue and Minister of State (Small Business)): Mr. Speaker, in my previous answer I indicated that very real difficulties are present because of the enormous number of products that have been manufactured, sold and stored in inventory. It is very hard to draw the line. In the past there were some remissions granted in cases where the tax had been specifically reduced; for example, on automobiles and trucks.

What I did not say in my answer last time to the question, which probably I should have said, is that because this matter is a part of the budget and, therefore, within the formulation of taxation, the question should more properly have been addressed to the Minister of Finance. Nonetheless, I would reiterate the points I made, that very considerable difficulties are present in attempting to grant remissions in respect of so many millions of transactions which involve many thousands and millions of dollars in inventories that have been stored over such a long period of time.

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THE CANADIAN ECONOMY

REPORT ON FOOD PRICES—REQUEST FOR WITHDRAWAL

Mr. James Gillies (Don Valley): Mr. Speaker, my question is directed to the Deputy Prime Minister and President of Privy Council: it has to do with a report to the first ministers, from CSIP, on food prices.

Given the fact that if policy is to be adopted by this nation in respect of economic activity, it must be based on reasonably accurate information and a reasonably accurate analysis, and that even a cursory examination of that report, particularly in terms of the sample and in terms of methodology, would indicate no conclusion whatsoever can be drawn from it, is it the intention of the minister or the government to have that report withdrawn and reworked, or at least re-examined?

Hon. Allan J. MacEachen (Deputy Prime Minister and President of Privy Council): Mr. Speaker, I must confess that I have not seen or studied that report; therefore, I cannot make a proper response. However, I will undertake to provide the hon. member with an answer later.

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● (1152)

REGIONAL ECONOMIC EXPANSION

IMPACT OF AMENDMENT TO UNEMPLOYMENT INSURANCE ACT

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, I wonder if you might do me the courtesy of directing a question to either the Deputy Prime Minister or the Minister