with U.S. airlines, but we never asked the minister to renovate the terminals and see no need for it."

Is the minister serious when he talks about making the Canadian airline industry more competitive while at the same time increasing its costs due to privatization?

Hon. Jean Corbeil (Minister of Transport): Madam Speaker, I do not know where the hon. member got the idea that their costs will go up. We are well aware of the financial situation the airlines are in. We are working on it, through bilateral discussions with the U.S., among others things, in the hope of increasing traffic. But renovating terminals 1 and 2 is part of the plan to get ready to respond, when the time comes, to the increase in traffic expected for 1997-98.

[*English*]

Mr. John Manley (Ottawa South): Madam Speaker, the minister knows very well that the numbers come from the association and the airlines themselves.

Yesterday the minister agreed that the environmental assessment with respect to runway expansion at Pearson would not be available until August at the earliest. The minister also acknowledged that the problems some developers may face in responding within the 90-day time limit to the request for proposals may require him to extend the time limit if they have paid a deposit and shown that they were truly interested. This announcement reeks of unexplained, unwarranted haste.

● (1120)

Why does the minister not remove the foul odour of political favouritism and opportunism from the timing of the announcement of this project and do what Mr. Sinclair from the airline association suggested and simply wait until 1993 when we see how the airline industry shakes down?

Hon. Jean Corbeil (Minister of Transport): Madam Speaker, Mr. Sinclair is a past assistant deputy minister in the Department of Transport. He is no longer occupying that position and does not make decisions for Transport Canada.

We have taken notice of his objection. We understand the objection of the airline industry because it is thinking about the bottom line of the next six months. We are

thinking about the bottom line for the airline industry in five or six years' time.

Mr. John Manley (Ottawa South): Madam Speaker, what is not clear is who is making the decisions for Transport Canada on this issue.

What is happening here is that the minister has put forward an announcement that is unjustified by the numbers that he announced yesterday. It contradicts what he has in his own estimates. He has been unable to justify the timing, given the fact that the environmental assessment is still under way.

Why is the minister prepared to sacrifice a fair and open process in order to ensure that he has a photo opportunity for the Prime Minister standing with a shovel just in time for the next election?

Hon. Jean Corbeil (Minister of Transport): Madam Speaker, I do not know if the member is referring to the same insinuation professed in this room yesterday by the Leader of the Opposition. If so, I would like to remind him that that particular gentleman is the father-in-law of one of his own colleagues from Willowdale.

Mr. Stan Keyes (Hamilton West): Madam Speaker, the Minister of Transport predicts record growth to capacity within six years at Pearson airport. When asked how much revenue that will generate, the minister says: "I don't know". When asked how much it would cost the government to renovate terminals 1 and 2, the minister's response is: "I don't know".

Given that Pearson airport makes money, given that private developers are champing—

Madam Deputy Speaker: There has been a long preamble. Will the hon. member come to a question?

Mr. Keyes: My question is, Madam Speaker: Given that private developers are champing at the bit to get a lease arrangement with this government, what do they know that we do not know? What information has the minister given them that he will not provide for this House?

Hon. Jean Corbeil (Minister of Transport): Madam Speaker, I am sure that you will not allow me the time necessary to tell the hon. member all that he does not know.