

Oral Questions

Mr. Blenkarn: Madam Speaker, it is unfortunate the Minister of State for Finance is so lost in the clouds. He does not understand that investment tax credits are only available to those who invest, and put people out of work.

POTENTIAL OF SMALL BUSINESSES TO CREATE JOBS

Mr. Don Blenkarn (Mississauga South): Madam Speaker, will the Minister of State for Finance tell us, if this is a recovery budget, why the Minister did not make sure that protection against capital gains that are caused by inflation was made available to those businesses that really create the jobs, that is, the small businesses and the medium-sized businesses? The Minister knows that every test on job creation indicates jobs are created by small business. Why are we not looking at job creation instead of protecting the big and the powerful?

Some Hon. Members: Hear, hear!

Hon. Paul J. Cosgrove (Minister of State (Finance)): Madam Speaker, the Special Recovery Program in the budget of \$4.8 billion is designed to do that exactly. It is designed to address the question of job creation, which was in the opening and closing remarks of the Minister of Finance. The budget is designed to do exactly that. The \$4.8 billion is split in two ways. First, the \$2.4 billion for capital infrastructure is designed to get people working in Canada right away. Second, the \$2.4 billion in the investment section of the budget is designed to provide building blocks to get Canadians investing, to get small businesses working. The small business sector in that \$2.4 billion part of the Special Recovery Program is weighted. Small businesses are given almost a 100 per cent advantage over large companies. The program is all directed toward creating jobs. When business is back at business, workers will be back at work.

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AIR CANADA

RENTAL OF MONTREAL HEADQUARTERS

Mr. Pat Nowlan (Annapolis Valley-Hants): Madam Speaker, my question is directed to the Minister of Transport. Would he advise the House whether the present RCMP investigation into the rental of Air Canada's headquarters in Montreal results from alleged conspiracy to defraud between July 1, 1982, and November 14, 1982, concerning a \$3.6 million secret sweetheart deal involving the Chairman of the Board of Air Canada and three other named individuals?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, I said the other day, and I stood on my head to attract attention, that I was not in a position to say anything on this inquiry.

Mr. Stevens: Why?

Mr. Pepin: I said then why I was not. This is an inquiry which is under the responsibility of the Minister of Justice. He

has said repeatedly that he could not say more at this time. I take it my hon. friend respects that view. Presumably, in due course, when the inquiry has been completed, the conclusion will be known.

● (1430)

NEGOTIATION OF LANDING RIGHTS FOR TAP PORTUGUESE AIRWAYS

Mr. Pat Nowlan (Annapolis Valley-Hants): Madam Speaker, this matter has been dragging on far too long. The Minister or the Minister of Justice should be able to come into the House today and give some indication of when this investigation started, when it is to be completed, and whether it includes the allegation that the Chairman of the Board received or accepted from TAP Portuguese Airways tickets to and from Montreal and Lisbon, Portugal, so that the three named people in the original allegation of fraud could travel back and forth from Montreal to Lisbon for their influence or help in acquiring landing rights for TAP at Toronto.

Since I have been informed that the Department of External Affairs in June or July will be undertaking further negotiations on landing rights, surely there must be some declaration from some Minister of the Crown as to what is going on with what is in effect the largest airline in the country. It is a Crown corporation and it has some responsibility to report to the people of Canada.

Hon. Mark MacGuigan (Minister of Justice): Madam Speaker, in the past my hon. friend has usually shown an understanding of the traditions of Canada. I hope he will continue to do so. This is a situation in which the hon. gentleman's question would suggest that we should have a trial in the House, or that we should have a report to the House on facts which are the subject of a long investigation. That is a new doctrine in this country, and I hope Hon. Members of the Opposition will be the first to repudiate it.

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TOURISM

GOVERNMENT COMPETING WITH PRIVATE INDUSTRY

Mr. Mel Gass (Malpeque): Madam Speaker, in the absence of the Minister of State for Small Businesses and Tourism I will direct my question to the Minister of Transport because his Department has caused some of the problems the tourist industry is experiencing at this point in time. It has been brought to my attention by the Greater Ottawa Hotel/Motel Association, and Canada's Capital Visitor's Convention Bureau, that the federal Government is unfairly competing with privately owned accommodation, meeting, and training facilities, by offering federally owned facilities at one-third to one-sixth of what private hotels must charge in order to survive. Could the Minister explain to the House how the federal Government can justify such artificially low pricing of