

Oral Questions

Mr. Speaker: You mean this was all preamble? The Hon. Member has one question, then.

Mr. Axworthy: Mr. Speaker, will the Prime Minister now commit to releasing all the reports prepared by his Government relating to the costs and benefits of free trade negotiations with the United States?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, my hon. friend is right. We probably owe a further explanation to him, given the powerful clarity of the statement on trade by the Leader of the Opposition on the weekend.

Some Hon. Members: Oh, oh!

Mr. Mulroney: —which eliminates any doubt as to where the Liberal Party stands—

Mr. Crosbie: They stand everywhere.

Mr. Mulroney: —on both sides of the issue.

Mr. Guilbault (Saint-Jacques): That is better than where you stand.

Mr. Mulroney: I can tell my hon. friend that we will undertake, and have, with the distinguished assistance of people like Ambassador Reisman, negotiations designed to enhance trade between our two countries and create new riches and new jobs. In the process we will be forthcoming and ask for the full co-operation of my hon. friend who, I know, would seek the same objectives.

Mr. Speaker: Short supplementary.

Mr. Axworthy: Mr. Speaker, I would certainly be glad to co-operate if we had the information, which we do not have.

WATER RESOURCES—STATEMENT ATTRIBUTED TO CANADIAN NEGOTIATOR

Hon. Lloyd Axworthy (Winnipeg-Fort Garry): Mr. Speaker, I would like to direct my supplementary question to the Secretary of State for External Affairs. Yesterday he denied in this House that Mr. Reisman had made a statement on water resources.

Mr. Speaker: Order, please.

Mr. Axworthy: Mr. Speaker, I have a supplementary question.

Mr. Blaikie: That is not a supplementary.

Mr. Speaker: The Hon. Member had a very long preamble. Does he have an immediate and short supplementary?

Mr. Axworthy: Yes, I have. I would like to ask the Minister if he will retract the statement he made yesterday in view of the fact that Mr. Reisman's office has said that he somehow forgot the fact that he had issued an official statement relating to his position on water resources? What does he intend to do

about the statement because it is greatly confusing the negotiations on water resources and exports to the United States?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, as the House will know from reading the newspapers, yesterday, I had a chance encounter in the corridors with Mickey Mouse and Minnie Mouse—

Some Hon. Members: Oh, oh!

Mr. Clark (Yellowhead): —who indicated to me that they were here in their capacity as policy advisers on international affairs to the Hon. Member for Winnipeg-Fort Garry.

Some Hon. Members: Hear, hear!

Mr. Clark (Yellowhead): So, they told me, is Goofy.

Some Hon. Members: Oh, oh!

Mr. Speaker: Order.

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NATIONAL REVENUE

SCIENTIFIC RESEARCH TAX CREDIT—KITCHENER MINI-SUBMARINE SCHEME

Mr. Simon de Jong (Regina East): Mr. Speaker, my question is directed to the Minister of National Revenue. Since the Conservative Government's moratorium on the Scientific Research Tax Credit scam a further \$1.5 billion to \$2 billion has been lost to the Public Treasury. Included in this is \$2.7 million to a group of arms dealers and drug runners who were going to build miniature submarines in Kitchener, Ontario.

Can the Minister explain how, after his Government's moratorium, con artists like those in Kitchener were able to rip the Government off for \$2.7 million on such an implausible scheme?

Hon. Elmer M. MacKay (Minister of National Revenue): Mr. Speaker, first, I am surprised at the tenor of the question from the Hon. Member opposite who is a very responsible and knowledgeable critic. He knows it would be improper for me to give any information on something as specific as that because of the terms of the Income Tax Act.

Mr. Deans: That is a great portfolio; you don't have to say anything.

Mr. MacKay: If he would like to provide me with further details I would be pleased to discuss it with him later, if that is proper. However, under the circumstances I can say nothing at the present time.

COST OF AUDITING TAX CREDIT PROGRAM

Mr. Simon de Jong (Regina East): Mr. Speaker, most of the facts are already public. I was hoping the Minister would