

*Oral Questions***CULTURAL AFFAIRS****TAX TREATMENT OF AUTHORS AND ARTISTS**

Mr. David Orlikow (Winnipeg North): Mr. Speaker, my question is directed to the Minister of Communications, if I can get his attention. The Speech from the Throne has promised "... enhanced recognition of our cultural heritage and increased support for our creative artists". At the same time officials of Revenue Canada have been demanding a re-assessment of the tax returns of artists, musicians, and writers, going back years, and telling them that they are not permitted to make deductions which they had previously been allowed to make. This matter has been raised in the House a number of times and it was agreed that a special committee would be set up. Would the Minister get together with his colleague, the Minister of National Revenue, and arrange for a moratorium on the actions of the officials in Revenue Canada until the parliamentary committee has had an opportunity to discuss this question and to make some recommendations?

Hon. Francis Fox (Minister of Communications): Mr. Speaker, the same question was addressed to the Minister of National Revenue not too long ago. As the Hon. Member knows, my role with the federal Government in matters of culture is to present advice, obviously. As far as the administration of revenue laws is concerned, it is the exclusive prerogative of the Minister of National Revenue. That Minister has indicated to the House that he does not have the discretion to suspend the application of laws. It is his role to see that those laws are, indeed, applied with equity and in a non-discriminatory fashion.

I would like to add that there is a parliamentary committee which has been set up with the concurrence of the Government to examine the whole issue. I very much look forward to seeing the report which will come out of that parliamentary committee. In the meantime, I have renewed the mandate of an interdepartmental committee, which will include officials of my Department, and officials from the Department of National Revenue and from the Department of Finance, to work immediately on examining the various issues which are brought up in front of that parliamentary committee. I do, indeed, recognize that it is an important issue, and I hope it is one which we will be able to deal with in a satisfactory fashion.

Mr. Orlikow: I find it strange, Mr. Speaker, that though there have been no changes to the Income Tax Act, Revenue Canada suddenly decides that policies and rules which were made five and six years ago were not proper and it is now establishing a whole set of new rules.

REQUEST FOR EARLY COMMITTEE MEETING

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I would like to ask the Minister if he could, in his capacity as Minister of Communications, discuss this matter with the chairman of the standing committee, and could we get a reference to the committee so it could meet as quickly as

possible, and not some time in late January as seems likely now?

Hon. Francis Fox (Minister of Communications): Yes, Mr. Speaker, I will take the suggestion of the Hon. Member up with the chairman of that committee.

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ENERGY**PETROLEUM INCENTIVES PROGRAM—REQUEST FOR INVESTIGATION**

Mr. Jack Shields (Athabasca): Mr. Speaker, my question is for the Minister of Energy, Mines and Resources. Recognizing the need to do exploration on the so-called Canada Lands and offshore, has the Minister launched an investigation into the use of PIP grants to see if there is abuse or if there is not? Further, has the Minister received requests from any of his Cabinet colleagues to see if there is a rupture on public funds? And is the Minister prepared to launch an investigation into the PIP grants to see if there is, indeed, a rupture?

Hon. Jean Chrétien (Minister of Energy, Mines and Resources): Mr. Speaker, a long time ago I looked into the problem and I asked for information. There were some rumours of abuses, and I checked that. I am satisfied so far that there are no such abuses, and if anyone is aware of any case of abuse they should let me know. There are rumours, but there are no facts to sustain those rumours. I did make sure that no drilling program above \$50 million would go ahead without my specific approval. Before that there was no limit. I have now imposed a limit and I review every case to make sure that the costs for the drilling equipment, support ships and so on, are within reasonable levels. I do that for every drilling program on the coasts of Nova Scotia, of Newfoundland, and in the North.

If the Hon. Member knows of any instances of abuse, I would like to know, and I will make sure it is corrected. However, so far I have no facts to sustain the demand for an inquiry. If there were such facts, I would be happy to make sure the taxpayers receive full value for their money.

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THE ADMINISTRATION**REQUEST FOR APPOINTMENT OF NEWFOUNDLAND REPRESENTATIVE TO CABINET**

Hon. James A. McGrath (St. John's East): Mr. Speaker, my question is directed to the Prime Minister. In the latter part of the last session the Prime Minister, in reply to a question in the House, indicated that he would not be taking action in appointing a successor to the Hon. Member for Burin-St. George's until that Hon. Member had had his day in court. Well, woefully for the Hon. Member, he has had his day in court. I would like now to ask the Prime Minister if he intends to discharge his obligation and appoint one of the eight