

Oral Questions

underspent its budget by 20 per cent. The following year it underspent its budget by 24 per cent. It was continually underspending and I presume from what the reports indicate that this led to a lack of adequate financial control. They were always underspending.

The fact that the economy is now booming has led to a record number of requests under the existing programs of DRIE. That led to the situation as we now know it.

Since the reports were tabled and while we were going through the exercise this summer, we introduced new measures for budgeting, forecasting, financial reporting, financial control and program management. We appointed a new Deputy Minister, a new Assistant Deputy Minister in charge of finance, and soon we will appoint a new controller to ensure that this kind of situation will never repeat itself.

[Translation]

GOVERNMENT'S ADMINISTRATION OF DEPARTMENTS—
CONFIDENCE OF CANADIANS

Hon. Jean Lapierre (Shefford): Mr. Speaker, my question is directed to the new Minister of Regional Industrial Expansion, who is responsible for DRIE. I am a little disappointed in his initial response and performance as Minister. I am trying to understand the Minister's logic. He wants to justify a short-fall of \$350 million by saying that during the last two or three years they had a surplus and so there was no control over spending. This is like saying: Well I had a surplus in my family budget during the last month, so next month we'll go on a spending spree.

Mr. Speaker, I would like to ask the Minister what assurance Canadians, what assurance taxpayers have that this short-fall of \$350 million is not repeated in other departments where no investigation has been conducted. How can Canadians be expected to trust this Government, which lost \$350 million, to administer its other departments and the money they pay in taxes?

Hon. Robert de Cotret (Minister of Regional Industrial Expansion and Minister of State for Science and Technology): Mr. Speaker, I want to be quite clear. There is a problem. I am not trying to deny that. There is a problem. But what I am trying to explain to Hon. Members is that as soon as we were aware of the nature of this problem, steps were taken immediately to deal with it, and we now have mechanisms to ensure there will be no recurrence of the problem that existed at DRIE. Furthermore, while I was in my previous post, the Comptroller General of Canada was asked to immediately investigate all other departments with similar budgets, to ensure that financial controls were in place so that this type of situation could not develop.

MEASURES GOVERNMENT INTENDS TO TAKE

Hon. Jean Lapierre (Shefford): Mr. Speaker, I would like to ask the Minister who until yesterday was the President of Treasury Board—after all he didn't see the \$350 million worth

of commitments either. Three hundred and fifty million dollars—that ain't hay! How could anyone not notice what was going on? What I want to ask the Minister is, how can we be expected to count on him after he let this pass as if it were nothing? How can we count on him to take control of this Department and ensure that commitments are met and that money doesn't just disappear?

Hon. Robert de Cotret (Minister of Regional Industrial Expansion and Minister of State for Science and Technology): Mr. Speaker, I will say it again. It would take too long to explain all this during Question Period, and I would be delighted to talk to the Hon. Member privately.

We have taken all the necessary measures to ensure the Department's commitments do not exceed the amounts voted by this House. These measures include the budgetary aspect, the estimates, spending, the way the Department's financial reports are done, financial controls at the Department, and also a review of the criteria for various departmental programs.

[English]

TRANSFER OF MINISTERIAL PORTFOLIO

Mr. Nelson A. Riis (Kamloops—Shuswap): Mr. Speaker, I am quite incredulous. We have here a \$100-million misunderstanding. A Minister as a result of really gross mismanagement overlooked \$100 million in his Department. The reality is that after misrepresenting and mismanaging his Department to the tune of \$100 million, this Minister has not done the honourable thing, has not been sacked, but has been transferred.

I would ask the Deputy Prime Minister if this is the kind of mismanagement and Government that we can now expect in the future. He said he would do something different from the Liberals. This is actually very different. This is a \$100-million misunderstanding. Is this the kind of business practice we can expect from the Government and this Minister in his next portfolio?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and President of the Treasury Board): Mr. Speaker, again the Hon. Member's statements and conclusions are false. I would invite him to read the reports before he pontificates in the manner in which he has.

The fact is that the Minister of Industry, Science and Technology has explained the corrective steps that have been taken. The record of the Government in financial management and control has been excellent. There is a problem here and that has been admitted.

When the Minister indicated that he would engage in both internal and external studies, he said that he would make them available. They are there for every Member to read and, I hope, to understand. The Ministers will be available to appear before parliamentary committees to explain the process in detail. Before he draws such rather drastic and radical