

share a dream with each and every person on this planet that our children will grow up and live in a peaceful, safe world.

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### RESEARCH AND DEVELOPMENT

#### ADDITIONAL FUNDING FOR NATURAL SCIENCES AND ENGINEERING RESEARCH COUNCIL

**Mr. David Daubney (Ottawa West):** Mr. Speaker, I rise to commend the Government for its recent announcement that \$20 million in additional funding has been allocated to the Natural Sciences and Engineering Research Council.

These additional funds will enable the Council to respond to some of the over 1,400 applications for research equipment currently before it.

The fact that the Government made this announcement despite the severe financial constraints confronting it, demonstrates the importance the Government attaches to university research.

The previous Government made no provision for dealing with these equipment applications, and had the new Government not stepped in, university researchers would have been seriously impeded in their work.

The previous Government's attitude toward university research and the NSERC Council is reflected in the numerous cuts it made to the Council's first five-year plan, a plan which was first approved by the Progressive Conservative Government in 1979. The new Government's approach is illustrated by last week's announcement, and by the statement of the Minister of Science and Technology (Mr. Siddon) when Supplementary Estimates for NSERC were brought forward in November. At that time he said:

We recognize that R & D is fundamental to our over-all plan for economic and social development in Canada and that the success of NSERC's programs in universities is a prerequisite to that national effort.

### ORAL QUESTION PERIOD

[English]

**Mr. Speaker:** The Oral Question Period will last until eleven minutes past three o'clock. The Hon. Member for Saint-Maurice.

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### FEDERAL-PROVINCIAL FISCAL ARRANGEMENTS

#### REQUEST FOR EXTENSION OF EQUALIZATION PAYMENTS FORMULA

**Hon. Jean Chrétien (Saint-Maurice):** Mr. Speaker, I would like to ask a question of the Minister of Finance. In view of the many changes in the policies of the Government, the transformation of policies, and a lot of insecurity this has caused in

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many provinces, and in view of the fact that Quebec is talking about imposing a special tax on its citizens because of the difficulties that Province is facing at this time, is it not possible for the Minister to do what the previous Government did last year, that is, to extend for one year the equalization payment formula so that weaker provinces like Newfoundland, New Brunswick, Nova Scotia, Prince Edward Island, Quebec, and Manitoba could use that money to soften the blows they are receiving with the big change in the economy at this time?

**Hon. Michael Wilson (Minister of Finance):** Mr. Speaker, the problems which the various provinces are facing under the equalization program were established because of the equalization formula that was put in place by the Government of which the Hon. Member was a part, three years ago in 1982. That formula was not extended a year ago. It expires on March 31, 1985, and that was the original plan for transitional payments.

**An Hon. Member:** You are supposed to be smarter.

**Mr. Wilson (Etobicoke Centre):** There have been a number of discussions with people, the Premier of Quebec, the Finance Minister of Quebec, with the Province of Manitoba and other provinces, on this difficult issue. All I would say to the Hon. Member is that we have to face difficult financial problems at the federal government level, as he well knows. We are determined to face those problems, as was set out in the November 8 statement. I suggest the Hon. Member wait a bit before we get an answer on the equalization payments.

### QUEBEC INDUSTRIES

**Hon. Jean Chrétien (Saint-Maurice):** Mr. Speaker, I am glad to see the Hon. Member has not given a final word, and that there is still hope.

I have another question in the same kind of economic sphere.

[Translation]

Mr. Speaker, today in the Province of Quebec, we are facing some major problems. We do not know what is going to happen to the Domtar project. We have had factory closings at Wabasso and Philips in Trois-Rivières, at Melchers in Berthier, Carbures in Shawinigan, Oxysynthèses at Bécancour, Pêcheries Cartier in the Gaspé and many others. The Department of Transport is about to close down VIA Rail in Montreal, and at Air Canada, hundreds of people are being transferred from Montreal to Toronto. Considering the major problems confronting the Province of Quebec, could the Minister consider the following: extending the equalization program for a period of one year, as I asked in my previous question, and helping Domtar as Quebecers are requesting, especially since the Minister's colleague, the Minister of National Defence, has just been allocated \$100 million to send more military personnel to Europe?