Hon. Pierre H. Cadieux (Minister of Indian Affairs and Northern Development): Mr. Speaker, I would like to make one correction before answering the question. It is not a decrease by DIAND of the subsidy that is involved because DIAND was not subsidizing that particular operation.

As my hon. colleague knows, there has been consultation in the past two or three months with respect to this particular issue. It has been undertaken that the proposed increase will be reduced by 5 per cent. There will be a freeze on any other increase until next year, while all departments under the direction of the Department of Indian Affairs and Northern Development undergo a study in order to assess the situation and bring forth corrections for the next year.

Mr. Jack Iyerak Anawak (Nunatsiaq): Mr. Speaker, my supplementary question is for the same minister. A 5 per cent decrease is a small comfort when the average price increase will be 32 per cent.

This morning, after hearing northern Inuit and Indian people explain how devastating the impact of these rate increases will be, the consumer and corporate affairs committee of this House passed an all-party resolution requesting a nine-month moratorium on the proposed increases.

Since the increases are schedule to take effect tomorrow, will the minister relieve the anxiety of northerners now and tell us whether he will ask or order Canada Post to institute a nine-month moratorium immediately, as requested by the committee?

Hon. Pierre H. Cadieux (Minister of Indian Affairs and Northern Development): Mr. Speaker, I have been made aware of the committee's recommendation this morning. As my hon. colleague knows it is addressed to Canada Post, and I will transmit it to the appropriate minister.

Mr. Speaker: The hon. member for Ottawa South on a single question.

SCIENCE AND TECHNOLOGY

Mr. John Manley (Ottawa South): Mr. Speaker, my question is for the Minister of State for Science and

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Technology. It concerns the Statistics Canada report issued yesterday on federal scientific activities.

That report indicates that science and technology expenditures in Canada have fallen significantly from 3.9 per cent in 1980 and 1981 to 3.5 per cent in 1989 and 1990.

I would like to ask the minister if he believes his own rhetoric about science and technology. Is he willing to take the kind of stand that the Secretary of State for External Affairs has taken and offer his resignation if the government continues its cut-backs in science and technology spending?

Hon. William C. Winegard (Minister of State (Science and Technology)): Mr. Speaker, I think the figures that have been cited may be a little misleading. I think it makes a little more sense to look at S and T expenditures on program spending. Let us take the debt payments out and look at program spending.

• (1500)

I think the House would be interested to know that in 1980–81 those figures were 4.65 per cent. They went down in 1984–85 under that government to 4.46 per cent. Under this government, taking out the debt, they have increased to 4.89 per cent. That is how we treat S and T, not like the Liberals did.

SOCIAL SERVICES

Ms. Joy Langan (Mission—Coquitlam): Mr. Speaker, I would like to put my question to the Deputy Prime Minister. The Minister of Finance has stated that Canadians surviving on incomes below the poverty line will benefit from the goods and services tax. In fact, Canadians and their families on social service will not be better off. The province of Saskatchewan deducts 100 per cent of family allowance from welfare cheques.

Will the Deputy Prime Minister promise this House that he will work with the Minister of Finance to ensure that Canadians on welfare will not have their rebates deducted from their welfare cheques?

Hon. John McDermid (Minister of State (Privatization and Regulatory Affairs)): Mr. Speaker, it goes without saying that the federal government is always concerned when we increase benefits to recipients that the provinces step in and take those benefits away in one form or another.