

*Oral Questions***NATIONAL RESEARCH COUNCIL**

INDUSTRIAL RESEARCH ASSISTANCE PROGRAM FUNDING

Mr. David Berger (Laurier): Mr. Speaker, my question is directed to the Minister of State for Science and Technology. I would like to remind the Minister of his own words as reported in yesterday's *Hansard* in answer to a question about the National Research Council's Industrial Research Assistance Program in which he said: "There are no cuts in the program." Yet less than two hours later an NRC Vice-President confirmed to me that, indeed, a cabinet directive orders a \$71 million cut in the program. Will the Minister explain this contradiction? Will he level with Canadians and tell us that he was misinformed? Or will he explain why he is hiding the truth about this decision which will affect some 2,000 small and medium-sized businesses?

Hon. Frank Oberle (Minister of State for Science and Technology): Mr. Speaker, I stand by what I said yesterday. The Government has announced some new directions and some new priorities. These were communicated in the normal fashion to the National Research Council in this particular case. There were consultations. A portion of the new space program was allocated to the IRAP in consultation with senior officials of the National Research Council. There has been no reduction to the IRAP Program. There will be a requirement, as requested by the National Research Council, to spend 5 per cent of this year's IRAP Program on space-related activities. I do not care to whom the Hon. Member talked, but that is the fact.

[*Translation*]

MAGNITUDE OF RESEARCH FUNDING

Mr. David Berger (Laurier): Mr. Speaker, the Minister knows very well that those two programs are absolutely incompatible. Why does he insist on saying there are no cutbacks when the Vice-President of the National Research Council and people in the private sector are saying the opposite?

I would ask the Minister to have the courage to rise and tell us the whole truth on this matter.

● (1450)

[*English*]

Hon. Frank Oberle (Minister of State for Science and Technology): Mr. Speaker, the Vice-President of the National Research Council does not sign the cheque, I do. That is why I know.

Some Hon. Members: Hear, hear!

TRADE

CANADA-UNITED STATES AUTO PACT

Mr. Howard McCurdy (Windsor—Walkerville): Mr. Speaker, my question is directed to the Prime Minister. I have in hand an unexpurgated version of the External Affairs study of the Auto Pact and it says that the Americans consider the Auto Pact a free trade arrangement and the United States administration will continue to argue against the existence of production safeguards. Does the Prime Minister agree with that description of the American notion of the Auto Pact?

Right Hon. Brian Mulroney (Prime Minister): No, Mr. Speaker, I agree with the definition I just gave.

PRIME MINISTER'S POSITION

Mr. Howard McCurdy (Windsor—Walkerville): Mr. Speaker, the Prime Minister answered that question as if everything he has said is clear. We all know that that is not so. Does the Prime Minister agree with the American notion of the Auto Pact as a free trade arrangement, or does he agree with the essentially Canadian view that the Auto Pact is a sectoral arrangement with safeguards?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, the Auto Pact is an instrument of liberalized trade.

* * *

[*Translation*]

NATIONAL REVENUE

CONTROL OF CHARITABLE ORGANIZATIONS

Mrs. Lise Bourgeault (Argenteuil—Papineau): Mr. Speaker, recently there were newspaper reports dealing with the concerns raised by the Trade Practices Commission as to the apparent lack of monitoring of the activities of registered charitable organizations.

I would ask the Parliamentary Secretary to the Minister of National Revenue what kind of action he has taken to maintain continued public confidence in that vital sector of the economy.

Mr. Bernard Valcourt (Parliamentary Secretary to Minister of National Revenue): Mr. Speaker, the Department's role in monitoring the activities of registered charitable organizations flows from specific requirements under the Income Tax Act. Therefore it is so structured as to ensure that provisions of that Act are adhered to. Charitable organizations are treated by the Department the same way all taxpayers are, whether they are individuals or corporations.

I can assure all Members of this House and especially the Hon. Member that the Department is applying the provisions of the Act to the charitable organizations as required.