

Oral Questions

and other concerned citizens across the country. Once again, I will see that the Hon. Member's question is brought to the attention of my colleague, the Minister of National Health and Welfare.

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NATIONAL REVENUE**USE MADE OF SCIENTIFIC RESEARCH TAX CREDIT**

Mr. Don Ravis (Saskatoon East): Mr. Speaker, my question is directed to the Minister of National Revenue. Last spring the Deputy Minister of National Revenue confirmed the scandalous abuse of the Scientific Research Tax Credit initiated by the previous Government. I have been advised that this \$200 million program may now cost the taxpayers of Canada \$3 billion.

Will the Minister advise the House if \$2.8 billion overspending estimate is accurate? Furthermore, what is the status of the investigation of one of the largest Liberal scandals in the history of that Government?

Hon. Elmer M. MacKay (Minister of National Revenue): Mr. Speaker, as my colleague has pointed out, this Scientific Research Tax Credit was introduced by the previous Government. We acted to put an end to this particular drain on the Treasury. The losses have been substantial, but it is premature at this stage to give an exact amount.

I can assure the House and the Hon. Member that my officials are closely monitoring the Scientific Research Tax Credit program and its aftermath. In due course the results will be reported to the appropriate committee.

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SCIENCE AND TECHNOLOGY**SIZE OF DEPARTMENTAL BUDGET**

Mr. David Berger (Laurier): Mr. Speaker, in the absence of the Minister of State for Science and Technology and of the President of the Treasury Board, I will direct my question to the Deputy Prime Minister. Much important work of the Science Council of Canada was cancelled when its budget was cut in half by the Government. The Treasury Board has refused to confirm that the budget of the Ministry of State for Science and Technology has been increased by the same amount that was cut from the Science Council of Canada—some \$2.5 million, or 38 person years. Will the Minister confirm whether such an increase, or indeed any increase, in the budget of the Ministry of State for Science and Technology has been approved by the Government?

Hon. Erik Nielsen (Deputy Prime Minister and Minister of National Defence): Mr. Speaker, that kind of specific and detailed information is normally requested on the Order Paper. However, I seem to recall that the Minister of State for Science and Technology has answered that question in the

House before. If it is not satisfactory to the Hon. Member, he could raise it in the Adjournment Debate.

In the meantime, I will take notice of his question and ensure that the Minister is made aware of it when he returns.

INQUIRY OF THE MINISTRY

Mr. David Berger (Laurier): Mr. Speaker, how can the Deputy Prime Minister justify raping a consultative body like the Science Council of Canada while bloating the Government's bureaucracy at a time of restraint? How can he justify such a power grab by the Minister?

Hon. Erik Nielsen (Deputy Prime Minister and Minister of National Defence): Mr. Speaker, the question is designed on a basic assumption that is false. The short answer is that I cannot condone his use of the term "rape" in any way, shape, or form.

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FINANCE**REFORM OF TAX SYSTEM**

Mr. Vic Althouse (Humboldt-Lake Centre): Mr. Speaker, my question is directed to the Minister of State for Finance. Given the large holes in the tax system that permitted nearly \$3 billion in research and development tax avoidance in the previous Liberal Budget, and given the \$1 billion tax that has been avoided during the Gulf takeover, why has the Government not given higher priority to reform of the Canadian tax system?

Hon. Barbara McDougall (Minister of State (Finance)): Mr. Speaker, this is the first Government in years that has made any real commitment to tax reform. This is the Government that brought the SRTC'S under control; this is the Government that is producing a minimum tax, and this is the Government that is undertaking corporate tax reform. Considering what we have done in a year, what has been happening for the last 25 years?

CORPORATE TAX REFORM

Mr. Vic Althouse (Humboldt-Lake Centre): Mr. Speaker, I could point out to the Minister that something over \$4 billion has been lost in the last year and a half, during the period that the Government was in charge. Why has the reform on corporate tax not come much quicker? Why were there not stop-gap measures put in place?

● (1200)

Hon. Barbara McDougall (Minister of State (Finance)): Mr. Speaker, this Government has moved consistently on tax policy, and we have made a number of changes. We will continue to do this, as I have indicated to prior questioners.

Mr. Althouse: Such as?