

## S.O. 21

Speaker, that the private citizens, organizations, and even church groups, who received this so-called mail were deeply disturbed.

Canada Post very recently passed a regulation disallowing the distribution of such material. This is not enough. Our Government must act swiftly to pass legislation to control the spread of degrading, offensive, and harmful pornography.

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## AGRICULTURE

## FUNDING OF COLOURED CATTLE RESEARCH PROJECT

**Mr. Maurice Foster (Algoma):** Mr. Speaker, the Government of Canada is giving some \$10 million to Dreamstreet Holsteins to do some phoney research on the colour of dairy cattle. This obviously is a tax scam to rip off the taxpayers of Canada since the research seems to be useless.

Agriculture Canada researchers have denounced the scheme as something from which we should walk away. National Revenue apparently turned the project down several times last year before the Minister approved it in December.

● (1405)

What political pressure was brought to bear to get it approved? Who gets the money? Does it go to rich investors in New York? How does Canadian agriculture benefit from this scheme? Why does the Minister of Agriculture (Mr. Wise) support the project when his departmental officials do not? I call upon the Ministers of Agriculture and National Revenue (Mr. MacKay) to cancel the project, or come before a parliamentary committee and explain why they are spending millions of dollars of taxpayers' money this way.

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## RESEARCH

## FUNDING OF RESEARCH COUNCILS

**Mr. David Orlikow (Winnipeg North):** Mr. Speaker, it is becoming increasingly clear that the Government's claim that it will increase budgets to the three federally funded research councils by \$1 billion over the next five years is, in the words of the Dean of Science of the University of Manitoba, Dr. Bigelow, "entirely a sham, created by bogus manipulation of the figures".

First, to reach a target amount to offset annual inflation at 4 per cent per year, the Government would have to commit \$654 million by 1990-91. The Government has only committed an unconditional amount of \$536 million, or a shortfall of \$118 million.

Second, additional funds will have to be provided on a matching basis with private sector donations, a very dubious concept in that private companies are more interested in product applications than in research.

Third, even if maximum private donations are matched by the Government, the amount made available to the three research councils in 1990-91 would be \$692 million, which is only 6 per cent higher than the amount required to offset 4 per cent annual inflation.

**Mr. Speaker:** Order, please. Sixty seconds. The Hon. Member for Athabasca.

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## ENERGY

## REMOVAL OF PETROLEUM AND GAS REVENUE TAX ADVOCATED

**Mr. Jack Shields (Athabasca):** Mr. Speaker, I cannot over-emphasize very severe economic downturn in western Canada caused by the falling oil prices. Thousands of jobs are being lost as small, medium, and large producers cut staff and related exploration activity in an attempt to survive. Heavy oil and oil sands development, so vital to our country's security and economic future, is slowly grinding to a halt. The Government still collects a front end production tax. The Petroleum and Gas Revenue Tax is a profit tax. The problem is that there is no profit for producers at today's prices.

It is time for the Government to announce the removal of the PGRT once and for all. It is time for the Government to get rid of this discriminatory tax created by the former Government.

Let us send the message to western Canada that the Government still supports the need for a strong energy sector and that the Government still believes energy to be the engine for economic growth. Get rid of the Liberal PGRT.

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## NATIONAL DEFENCE

## MILITARY AIR TRANSPORT—SENATE COMMITTEE FINDINGS

**Mr. Dave Nickerson (Western Arctic):** Mr. Speaker, the recently published report of the Special Committee of the Senate on National Defence and Military Air Transport concludes as follows:

Air Transport Group and Ten Tactical Air Group provide our country with excellent service, but they are over-committed, short of aircraft, at minimal or inadequate manning levels, and operate fleets which must be renovated and strengthened over the next 15 years.

The report, Sir, is highly critical of the "fits and starts" which characterized military procurement under the previous Liberal Government. Like the hon. Senators who authored this