

The other provisions in the Bill allow for a borrowing authority of \$16 billion commencing the next fiscal year.

Mr. Deans: That is wrong.

Mr. Blenkarn: My friend says it is wrong. I have already pointed out to him that every time we vote Estimates on March 31, we vote nearly half of the Estimates through. The Cost of the estimated borrowing requirement is approximately half of the Bill. If he is prepared in the normal course of events in this House to vote Estimates that way, why can we not have the money through so we can operate effectively?

Mr. Deans: I want to see the budget.

Mr. Blenkarn: The Hon. Member for Hamilton Mountain (Mr. Deans) knows that the budget is projected for April, possibly May. The Speaker indicates my time is up. With the permission of the House, I would like to carry on for a few minutes.

The Acting Speaker (Mr. Paproski): The Hon. Member's time has expired. We do have 10 minutes for questions and comments. Maybe he can carry on then. I will recognize the Hon. Member for Gander-Twillingate (Mr. Baker) on the first question and a short comment, I hope.

Mr. Baker: Mr. Speaker, when listening to the Hon. Member, I was reminded that the previous speaker from the NDP mentioned earlier today George Orwell's book *1984*. This speaker is a perfect example of somebody who practises doublethink. How can the Hon. Member on one hand say that his Party and his Government stand for cutting, cutting, cutting, and that is good for the Canadian public, when his Party promised 388 individual expenditures over and above what the previous government had done during the election campaign? There were 388 promises, everything from the kitchen sink from Newfoundland to British Columbia. The Hon. Member knows that.

I would like the Hon. Member to explain why his Party did that. He knows what I am saying is correct. If their philosophy is to cut and to keep down the deficit, why did they commit so many new programs and make so many false promises during the election campaign? If the Hon. Member denies they made them, later in the debate I will stand up and read them.

Mr. Blenkarn: Mr. Speaker, I hope the Hon. Member will stand up in the debate. I would like to hear from him in respect of this. He should look at the financial statement of the Minister of Finance. He will note that the policy changes thus far effected include the promise of fuel tax rebates. This is in the works at the present time and involves a net cost of \$77 million. Some things have to be done in the country. Changes have to be made. Most of these promises are part of a changed direction. He knows that. His constituents know that. We believe they approve of that.

Mr. de Jong: Mr. Speaker, I enjoyed listening to the remarks of the Hon. Member for Mississauga South (Mr. Blenkarn). I have always enjoyed listening to his remarks,

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particularly when he was in Opposition. I thought that he was one of the most effective Members in the Opposition at that time. When it came to government measures, particularly borrowing Bills and so forth, he put up some good, valid arguments. It is a little sad today to see him have to swallow some of the arguments he has used in the past. I say it is sad because I doubt if he believed half of what he said to us today. If you consider the speeches he made in the past and what he has said today, there is quite a difference.

I was intrigued when he mentioned the scam, and I agree it is a scam, of the tax credits the previous Liberal government gave to research and development. Originally Mr. Lalonde's Budget estimated a loss of \$100 million. I think it is now close to \$1.5 billion. Estimates are that it will cost some \$2 billion in lost revenues from that tax credit. Earlier in the day I called it a flip-flop scam. The Minister of National Revenue (Mr. Beatty) claimed it was not a scam. He thought it was incorrect to call it a scam.

In questioning the Minister of National Revenue earlier today, I was concerned that the moratorium which the Minister of Finance (Mr. Wilson) put on the R and D tax credit scam was not very effective. There is a grandfather clause which allows all sorts of companies to apply for this R and D tax credit. It is estimated that we will lose a further \$400 million to \$500 million on this scheme. I asked why he does not tighten the lid and put a freeze on this grandfather clause. All sorts of other corporations are allowed to claim that they have transactions in the works, transactions that might be on the back of an envelope. Revenue Canada is allowing this. We will lose another \$400 million to \$500 million. Surely the Hon. Member will agree that the time has come to put a lid on this R and D tax credit scam and not allow one more penny to be lost from the public purse.

Mr. Blenkarn: Mr. Speaker, I want to quote what the Minister of National Revenue (Mr. Beatty) is alleged to have said, according to Linda McQuaig of *The Globe and Mail*. He said:

In some cases it is pretty tenuous how grandfathered they are. You know it is amazing that grandfathers are still having children.

The Hon. Member for Regina East (Mr. de Jong) is correct. We have to terminate this. I know the Minister has been terminating it as quickly as possible. We must remember that when people have started an action on what has been granted to them as a legitimate tax expenditure, it cannot be terminated that easily. The only way it can be terminated is by legislation. I hope there will be legislation terminating it. People rely on the present law and do what they are legally entitled to do. The fact that you have a bad law means that the legislators have not done their work very well. It is not the fault of the people. We have to change that legislation and I think we have to change it very quickly.

Mr. Rompkey: Mr. Speaker, at one point in his speech the Hon. Member for Mississauga South (Mr. Blenkarn) used the metaphor of milking the cow when talking about politics and politicians. I would like to relate a metaphor that a former