

On April 17, I sought the Minister's assurance that he stood by his earlier commitment and asked whether he was happy with the ambivalent approach of the Macdonald Commission to technology. What I received back was worse than ambivalence. Specifically I asked the Minister:

—does he still support his submission to the Commission where he said that Canada must raise its commitment to research and development in a major way—

He said, and I repeat, "that Canada must raise its commitment to research and development in a major way." His contradictory answer to the question was: "clearly I stand behind the submission I made to the Macdonald Commission." He went on to indicate:

—the Government's commitment to research and development has been consistent . . . and has not decreased—

Is his statement that Canada's commitment to science and technology has not decreased the same as his earlier one that Canada should raise in a major way its national investment in research and development?

The Minister's answer shows that the Government has had no serious intention of increasing its expenditure on and encouragement of research and development, despite its long-standing pledge, going back several years, to raise this investment to 1.5 per cent of GNP by 1985. Indeed, if we go back to 1968 at about the time the present Prime Minister (Mr. Trudeau) took office, Canada was spending 1.5 per cent of its GNP on research and development. In the intervening decade or more, our investment in research declined in a rather drastic way.

● (1820)

This tendency has continued as confirmed by Statistics Canada's annual science bulletin which was issued just a few weeks prior to the Macdonald report. The Stats Can report released a couple of months ago said that Canada's investment in research and development had dropped from 1.29 per cent of GNP to 1.28 per cent in 1983 and will drop further to 1.24 per cent in the present financial year. This means that the Government has failed miserably in its attempt—if there has been any attempt at all—to meet its modest goal of spending 1.5 per cent of GNP on research by 1985. The amount of 1.5 per cent of GNP equates to about \$6 billion. That is less than one-third of what we pay in this country merely to service our national debt. It is an investment which absolutely must be made by the nation.

The Minister did not dispute the fact that statistically our commitment to research had declined. In fact, he confirmed it with his attempt at excuse-making. Specifically I asked the

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Minister, "Does the Minister have an explanation as to why in the two years he has been Minister of State for Science and Technology Canada's investment in research and development has dropped—?"

The Minister gave two strangely incongruous reasons for this decline. First he said, "That is one of the outcomes of any recession", implying that national incomes had dropped and therefore we spent less. In the same answer he said that this occurred because of the economic growth during the period. To my naive way of thinking, those two statements appear to be totally contradictory.

The Acting Speaker (Mr. Herbert): Order, please. I regret to interrupt the Hon. Member but his time has expired.

[*Translation*]

Mr. Rolland Dion (Parliamentary Secretary to Minister of State for Economic and Regional Development and Minister of State for Science and Technology): Mr. Speaker, it is with great pleasure that I rise in the House this evening to answer the question put by the Hon. Member for Richmond-South Delta (Mr. Siddon) concerning the federal Government's commitments to research and technology.

I am pleased with this opportunity to address the House this evening regarding the federal Government's support for research and development and technological growth in Canada. I have no reason to doubt the seriousness of this Government's commitment to increasing research and development, and I can give an example to prove it.

Since the Government set its objectives for research and development spending, gross national expenditures in those areas have increased substantially. In 1979, gross expenditures for research and development represented 1.02 per cent of GNP. The latest figures provided by Statistics Canada show that in 1982, gross expenditures in those areas accounted for 1.29 per cent of GNP and it is expected this will be 1.28 per cent for 1983.

The ratio of these gross expenditures to GNP for the last two years is not as high as expected, mainly because Statistics Canada's previous assessments of GNP were very conservative. Our present economic growth is far more dynamic than was forecast, and consequently, if we express research and development as a percentage of today's expanding economy, it has not expanded to the same extent. Furthermore, some R and D expenditures planned for 1983 did not take place, especially in the sector where spending by the oil and natural gas industry has dropped compared with previous forecasts.