

phone call prove to himself or to his constituents that what I have just said is true.

According to an ad hoc committee convened by the then minister of state for science and technology, the federal government's stated goal of increasing total R and D expenditures in Canada from .92 per cent to 1.5 per cent of the gross domestic product by 1983 would require annual increases of 27 per cent in industrial research development, 10 per cent in government research development, and 30 per cent in university research. This implies a growth in research and development spending of from \$1.9 billion in 1977 to between \$4 billion and \$5 billion in 1983. None of these goals are anywhere close to being met.

Instead of university research increasing, it is decreasing. Research in government laboratories at best has been frozen in the last year or two, and industrial research and development are growing at not even a third of the figure which the ad hoc committee felt was necessary. Statistics Canada has calculated that federal cutbacks in science and technology totalling over \$129 million in the next 18 months will mean that industrial research and development will only increase by 8.4 per cent instead of the 27 per cent which I indicated.

I could go on, Mr. Speaker, but the fact is the situation is not improving as the people of Canada had hoped. It is not improving as this government proposed it should when it was in opposition. In fact the situation is getting worse.

Let me spend a couple of minutes on the situation with regard to our universities. We all know that persuading industry to increase its expenditures on research and development is a very difficult thing, particularly when we realize how much of industry, especially our largest industries, is controlled by multinational corporations which traditionally want to do their research and development near head office, which usually means the United States.

The government plays a major role in deciding how much research and development will be done at our universities. It is obvious to anybody who has looked at the question, as it is obvious to most of the research organizations and researchers at universities, that in recent years the governments have had a very poor record of support for basic research at our universities. There seems to have been almost a deliberate attempt on the part of the former government to scuttle university research completely.

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As was documented in a recent study by the Royal Society, there has been a dramatic deterioration of funding for basic research at Canadian universities. In 1974 funding in real dollars by the National Research Council dropped to 60 per cent of the 1969 level and by the Medical Research Council to 80 per cent of the 1969 level. The record since 1974 is not any better.

In trying to assess what our universities should do regarding scientific research, the Science Council of Canada in its eighteenth report stated that it is generally accepted that research is an indispensable element of the university for development of

### *Borrowing Authority*

both teachers and students, and that Canadian education requires research in Canadian educational institutions. It stated that research at the universities need not and should not be limited to basic research alone and that, nevertheless, the search for new and deep understanding of the world which is inherent to basic research makes it particularly important to higher education.

In the years from roughly 1950 to the late 1960s, enrolment in Canadian universities was increasing steadily and regularly. In those years the funding arrangements made for financing the universities permitted an increase in funds given to faculties to conduct the scientific research they felt they should be doing. That was of tremendous value to this country. Since 1972, however, the number of students entering our universities has declined, and this is likely to continue for some years. The result is that the universities have been squeezed more and more with regard to funding. One of the first things to go has been support for scientific research and development. This has had a very adverse effect on our universities and the research they can do. The result has been less and less research.

As I have indicated, Mr. Speaker, the same claim about medical research can be documented in every university in this country. The situation will not change for at least ten years, or probably longer. We need to look again at funding for scientific research and development in Canadian universities. They need more money if they are to continue doing the job they are doing and to help us meet the needs of the 1980s and 1990s. We have waited and, I think, patiently, and the university communities have waited patiently, for six months. There is no sign, however, that this government has developed a new policy. I have heard of no consultations between government and the universities about how to meet that situation. The prospects for our universities are indeed bleak.

Some hon. members may believe that the record I have recounted is not factual. Members on the government side may believe I am following the usual opposition party practice of damning everything a government, of whichever party, brings forward. I think I can verify that what I have said is true by summarizing some of the recommendations made by an ad hoc committee appointed by the former minister of state for science and technology. That ad hoc committee came to the conclusion that the 1.5 per cent target for research and development would require a tripling of research and development expenditures over the next five years. I should like the present minister to tell the House at an early date how close we are to that goal.

The committee suggested that federal tax incentives were inadequate to meet the announced target. The report stated as follows:

We are convinced . . . in view of the enormous size of the challenge, that current incentives will not affect the major intensification of effort, and the major change of attitudes that are needed.

The committee also stated that present policies placed too much emphasis on promoting incremental research and development expenditures, and may penalize firms whose