

Corporations and Labour Unions

multibillions of dollars of capital by allowing interest rates to rise as they have.

Perhaps we require a debate on how to fill the coffers of an international reserve fund which will stabilize the pressure on the dollar and give us a chance, with a sound industrial strategy, to get back on track. We have ten years of hard, disciplined work to do if we are to avoid a collapse of the system. The hour is upon us. It behooves us all to become involved in the issue, but the Minister of State for Small Businesses and Tourism is sleeping on one of the most valuable and perhaps one of the most important studies to the small and medium enterprise sector. There is a crisis, there is a need right now, but the study is buried in his boss' industrial strategy. They have to complete all the work on intellectual property, on the inventory and on the competition law; they have to get the constitutional law passed. Their priorities are so screwed up it is unbelievable. It discredits the whole system.

I read the speech of the hon. minister on Bill S-10. I understand some of the advantages he described, but I want those points made clear in committee. I want some of the intellectuals behind the drafting of this pyramid of bills, this interconnected triangle of bills and legislation, in committee. I want some of the intellectuals from the community at large to assist hon. members of both opposition parties in preparing debate and questions for those intellectuals. This is where the system fails miserably.

The biggest problem in Canada is the structure of Parliament. We have lost complete control over the power of supply. Our committees system and structure will not let us work on any continuity of thought. We do not have a secretariat behind our committees to match the expertise of the bureaucrats. Therein lies one of our biggest flaws. This is what we should be addressing first. The constitutional issue is not doing that. We are not throughout any of the constitutional debate addressing regionalism, which is the biggest, single, most serious problem in Canada. There is regionalism in metropolitan areas, in provinces and at large in the land. This structure fails to address and link up the regionalism. It wants to destroy regionalism through a central unitary state and it will not work.

I am taking this time because I feel the great debate in Canada can be resolved with an industrial strategy. It can be resolved under the behaviourist philosophy wherein we design laws which tell people what they can do. If they do not obey, we must have the courage and guts to enforce it. If we are to do that, we must address the needed legislation to improve the respect for the rule of law in Canada.

In closing, I should like to talk about the research and development policy.

An hon. Member: There is not one.

Mr. Huntington: That is correct, there is not one. For years we have listened to all corners of the private sector tell us what we need in the way of research and development. Basically we need an incentive in our fiscal policy which will allow the entrepreneurs in the boardrooms of the nation to make deci-

sions and to invest high-risk money in unknown areas and in unknown frontiers of technology, on the chance that there will be a reward down the road.

To offset that decision risk, all they ask for is a 25 per cent credit; in other words, 125 per cent of cost. There is no sense doing this for multinational organizations which are already spending millions of dollars of research money, but we could give them an incentive to increase their activity. We could give them the 125 per cent rate on incremental increases over their respective bases. But no, all energy and talent at large in the land is frustrated. They must come cap-in-hand with polished shoes, make appointments, wait in waiting rooms for some civil servant to process an application. Then they must lobby the whole system, and as the Minister of State for Small Businesses and Tourism knows, the small and medium-sized business sector do not have the time, nor can they afford it, for their businesses would go bankrupt.

● (1640)

Give R and D a chance. Give the brains and talent outside the government in this country a chance to prove that they can get it going. Our dilemma today started with the Benson tax legislation of 1971. That is when we started to move into the interventionist society. That is when our bureaucracy started to build. That is when incentives ceased in any savings process in Canada, other than turning every single Canadian who puts his money into a tax shelter into a future debtor of the state. That is what we have done. We have locked up all our savings in pension funds and RRSP funds and none of it is available to the world of work where the need for that dormant capital exists. The rewards are no longer available in Canada for the managers. The rewards are there for the paper pushers, the landowners and the absentee capitalists, not for the talent which can create jobs and add to the value of goods and services.

I would urge all members to read the editorial which appeared in *The Globe and Mail* today. It deals with the curse of intervention. We have been hearing this for five, six, seven, or ten years and the government will not allow a glimmer of light into its mind. I stand here and say to you, Mr. Speaker, that the path along which it is leading us will turn out to be one of the most tragic eras in Canadian history. We alone in the western world, the western industrialized nations, have the opportunity to be energy self-sufficient. We have the opportunity to put in place massive transportation systems in the form of pipelines. We have the opportunity to electrify railroads across the mountains and the west; and all that diesel fuel which is consumed by those railroad locomotives can be put back into the bank. All we have to do is give the railroads a tax incentive to convert from a non-renewable fossilized source of energy to a renewable electrical source of energy—I think 150 per cent would have done it. We would have had all of that in the bank. That is where the activity is.

The Cold Lake plant has been backed up, as has the new tar sands plant, as has the transportation system, and as have the pipelines for the flow of energy from the Arctic downward. We