## Motions

stated a while ago, "We do not want Canada to simply become the garage mechanics of outer space". We have to focus on the type of research that is going on in space.

The committee recommended that 15 per cent of the budget be allocated to that. The Government has declined to go along with that. If I may say so, I think that is indicative of the general reluctance of the Government to emphasize research and technology. I wish to make this point in this particular context. Holding the line at 9 per cent of the budget in outer space is simply going along with the thrust of the Government generally. The fact is that the commitment of the Government to R and D has been consistently cut back over the past two years.

In the last election, the Prime Minister (Mr. Mulroney) pledged well over 2 per cent of GNP to R and D in this country. What do we have now? About two months ago we saw it slip back from 1.5 per cent to 1.3 per cent. At the moment 1.5 per cent of GNP in this country is allocated to research and development. That is not good enough when one considers that the Government's intention is that we enter into a free trade agreement with the United States which will radically change this country and the businesses in this country.

Who will survive? Who will be the winners and who will be the losers under free trade? The winners will be those business, and particularly those small businesses that have done, are doing, and are in possession of the latest R and D. There is no question about that. That is where the action will be, and to a large extent, that is what will determine the survival and prosperity of Canadian business. Yet at the same time we see the Government advocating entering into an open competition with U.S. firms, and a lack of commitment to R and D.

I will not even talk about training, because you would rule me out of order, Mr. Speaker. It is not possibly relevant in this particular debate. But I do think that the issue of R and D is relevant.

If we are going to enter into this trade agreement, there has to be a strong commitment to research and development. Without that, Canadian firms and Canada generally will not survive. This latest example of not giving due priority to basic research and the space station is more evidence of the lack of commitment of the Government.

## • (1140)

Finally I want to deal with the space agency, and I know that it is a controversial area. I do not want to get into where the particular agency should be located. There are people who think that it should be in Montreal, and there are people who think that it should be in Ottawa. However, it should be; that is the point.

It has been over a year since the Throne Speech and since the Government announced that it was to go ahead with it. It is an important step forward. It is something that must happen and should have happened a long time ago. If we are to be serious participants in space, we must get our act together. We must be co-ordinated. There must be a Canadian space agency to pull the threads together and to do some over-all coordination.

However, the Government chose not to take the occasion of the committee's report to announce that it was going ahead with the space agency, not to mention where it would be located. I think it missed an opportunity there. I call upon the Government to screw up its courage, to take its fate in its hands, and to announce that there will be a Canadian space agency. Obviously it will have to announce at the same time where it will be located. However, wherever it decides that it will be, it will be a political decision for the Government to make. It is the Government, and it must make that decision.

What I am pointing out today is the important necessity of coming forward with that decision if Canada is to be a serious participant in the space program.

Other recommendations were made by the committee, but I have referred to the main ones. I want to conclude by indicating that it is very important for the Government to clarify that there will not be any military use of the space station if we are to become involved with it. It should come forward and say that it will immediately establish the Canadian space agency.

**Mr. Gauthier:** Mr. Speaker, in the course of his remarks the Hon. Member alluded to the difficult decision which the Government must make to situate the space agency. Over the last few months we have been told by several Ministers that the decision was forthcoming one day, that it would be coming forward within the next few weeks, or that the decision was imminent. The President of the Treasury Board (Mr. Mazankowski) told us in the House that all the documentation and research had been available to the Prime Minister (Mr. Mulroney) and that it would be a political decision on his part.

Being from Ottawa—Vanier, being from the National Capital, the Hon. Member will know that I feel strongly about the nerve centre of that agency and that it should be close to the decision-making process, that is, close to Cabinet, close to Ottawa. I would like to see it in the national capital area.

Since the Hon. Member is very well informed on the subject, I would like to ask him whether he would share some views with us. There has been debate in Montreal and in Ottawa, and I am sure members of the committee had a chance to discuss where they would like to see it located. I should like to ask him if the committee made a recommendation to Cabinet on where the agency should be situated, that is, the headquarters of the agency.

We have heard that maybe it is on, maybe it is off, maybe the decision is forthcoming, maybe it is not forthcoming, maybe Montreal, maybe Ottawa, maybe half way between Montreal and Ottawa for all I know. The other day they announced a space garage, that the money is to go into building a space garage. Maybe the agency will be in a space