

Business of Supply

of the pensioners involved. Those occasions have presented themselves to the hon. member in the past, and they will equally in their infinite variety present themselves to the hon. member during the course of this and future sessions.

Therefore, on both grounds, first that the matter is one of continuing concern as opposed to emergency proportions and, second, that the hon. member will, I am sure, in common with some of his colleagues take advantage of other opportunities to bring this very serious problem to the attention of the House, I respectfully decline the setting aside of special hours for debate of the motion.

GOVERNMENT ORDERS

[English]

BUSINESS OF SUPPLY

ALLOTTED DAY S.O. 58

House in committee of supply to consider a certain item for the year ending March 31, 1976, pursuant to the provisions of Standing Order 58(9)—Mr. Laniel in the chair.

Industry, Trade and Commerce

Vote 1—Trade-Industrial—Operating expenditures—\$67,157,000.

Mr. Sharp: Mr. Chairman, I rise on a point of order. I would like to suggest, and I think I have the agreement of the representatives of the other parties, that in our proceedings in committee today we might follow the precedent that was established when my colleague, the Minister of Transport, was before this committee on his estimates, namely, that the discussion should be divided into 15 minute intervals during which a member can either use the whole of the time for speaking, or part for speaking and part for questioning, and that the minister at the conclusion would have an interval of approximately that time to conclude the discussion. I think these are the general principles that we found quite useful during the previous discussions when the Minister of Transport's estimates were before the committee.

Mr. Baldwin: Mr. Chairman, what the government House leader said at first is quite agreeable, but because of the shortness of the time I raise the question of summing up, unless there is an insistence on it, and even then I would not be too happy about it, because we will want to get in as many members as possible. I imagine the minister will be answering all the questions of those who are speaking. He will have every opportunity to do that. In order that all members may have a chance to participate, including members on the government side, I suggest that we eliminate both the closing statement of the minister and the closing statement of the first speaker who moved the motion.

[Mr. Speaker.]

Mr. Sharp: Mr. Chairman, I think it really depends on how the discussion goes in committee. If there are a series of speeches without an opportunity for the minister to reply to them, I think we should be prepared to allow some flexibility. I know my colleague is more anxious to get his estimates approved than he is to speak.

The Chairman: Order, please. Hon. members of the committee have heard the suggestion made by the President of the Privy Council which seems to be approved with the explanation made by the hon. member for Peace River. Is it agreed that we proceed in this way?

Some hon. Members: Agreed.

Mr. Hees: Mr. Chairman, with unemployment holding at well above 7 per cent of the work force, and giving clear indications of rising considerably above that figure as the year goes on, it is the responsibility of those of us who sit in parliament to examine the causes of the economic stagnation we are experiencing, and make positive suggestions for correcting it.

The basic reason for the slowing down of the economy has been the steady decrease in the volume of exports and the increase in the volume of imports that have been taking place during the past 18 months. The prices of our products have steadily become less competitive with those quoted by other countries, and the quality and design of our products have not been good enough to overcome this disadvantage.

During the month of April this deteriorating situation was temporarily halted by the erosion of the value of the Canadian dollar, which has, during this short period, made our exports more attractive in price, and imports from other countries less attractive in the Canadian market. However, this temporary help cannot be counted on to last for very long, and the dollar has already risen well above the level to which it dropped a couple of weeks ago. Therefore we must look for other remedies to correct our sick economy, and I suggest we examine three main approaches: first, increasing productivity; second, increasing industrial research and development; and third, lowering unit labour costs.

● (1520)

Taking a look at productivity we find that during the 28 years since 1947, when the government first started to measure it on an annual basis, industrial productivity in Canada has increased at an average annual rate of 3.2 per cent a year. Examining our performance since 1970, we find that in 1971 productivity increased by 3 per cent over 1970, or slightly below the average rate; in 1972 the increase was reduced to 2.6 per cent, in 1973 to 1.5 per cent, and in 1974 there was an actual loss of one half of one per cent. The present indication is that the slide will continue at about the same pace during the present year.

What can be done to increase productivity and thereby help make our products more competitive? To do so we must offer incentives which will persuade producers that they will be able to pay for the new plant, machinery, and production systems they will have to buy, in a reasonably short space of time, and in this way make it as easy as possible for them to meet the high expenditures usually