

development carried out in Canada. This is an area in which Canada must be very concerned.

We have been watching the research programs carried out by the major nations of the world. We see that we have a deficiency here because it is difficult for small companies to compete with large companies in conducting this kind of research. So, Canada and Canada's government has responded with a program that is bearing a great deal of fruit. During the five years this program has been under way 1,200 companies in Canada have participated in this progressive program. Also, I want to say something about the PAIT program which was introduced in 1965, a program for the advancement of industrial technology. It is a program of forgivable loans to encourage industrial growth and production by providing assistance for the development of new or improved products and processes which incorporate new technology and offer good opportunities for commercial exploitation in domestic and international markets. Since 1965, there have been 339 projects approved under this program at an estimated total cost of \$162 million, with the government's share of that being \$82 million. This is another successful program designed to improve productivity and employment in secondary industries in Canada and designed to do the kind of thing that has been outlined, rather vaguely I would say, in the motion of the hon. member for Waterloo.

● (4:40 p.m.)

I want to refer also to another new program, the industrial design assistance program which was begun in 1970. The primary objective of the IDAP program is to improve the competitive position of Canadian secondary industry and to expand sales in foreign markets by upgrading the design quality of Canadian products. I should like to refer to the results of that program because it is important to have a look at the positive results achieved in Canada by programs of this kind. To date—and this was just begun toward the end of last year—over 20 applications for IDAP assistance have successfully obtained agreement for funding, totalling approximately \$400,000. These companies anticipate first year sales totalling \$13 million, including substantial exports.

Then, we have another program called PEP. I should like to recommend this to opposition members because they could certainly use it. The objective of this program is to induce improved productivity in all manufacturing and processing sectors of the Canadian industry. As a result of the PEP program, it is expected that many of those companies which have shown a low level of productivity will start to thoroughly investigate the ways and means to become internationally competitive. The program was introduced late in 1970 and already there have been three applications for PEP assistance which have successfully obtained agreement for funding totalling approximately \$50,000, and an additional six applications will be decided upon imminently.

Another program which should be mentioned is the general adjustment assistance program which was

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brought in after the Kennedy round. The GAAP program is primarily designed to help manufacturers take advantage of export opportunities arising from the Kennedy round. In 1970, this program was extended to assist manufacturers of textile or clothing goods or footwear.

Hon. members have heard of these programs before but they seem to forget that the Department of Industry, Trade and Commerce has a long list of such programs to combat difficulties in the Canadian economy, to encourage secondary manufacturing, and to improve economic conditions in Canada. I have not listed them all. There are many more I could mention, such as the automotive adjustment assistance program which was begun in 1965 and has had such tremendous success, and the PIDA program for the pharmaceutical industry which was begun in 1968. It, too, has been a great success. I could also mention the machinery program designed to encourage the expansion and efficiency of Canadian manufacturing by providing a reasonable measure of tariff protection to machinery manufacturer and enabling users of machinery to obtain remission of duty on imported capital equipment which is not available from Canadian production. I could go on and on with program after program, such as the shipbuilding program and the lumber and plywood export promotion program for the British Columbia industry. There are many such programs that are being used as tools by the Department of Industry, Trade and Commerce.

I must say that I cannot understand the lack of faith in the people of Canada which I hear day after day from the opposition.

Mr. Rowland: It is not lack of faith in the people but in the government.

Mr. Howard (Okanagan Boundary): The most essential ingredient in the progress of a nation is confidence in the people. If we have confidence in the business and other sectors of our industry, Canada will be a progressive nation, but if the confidence of the people of Canada is destroyed, then indeed we will have difficulty in making Canada a prosperous nation. I want to recommend to members of the opposition that they lift up their shoulders and look forward at the possibilities that Canada has. They should look at the future ahead of us and at the progress that Canada is making, then Canada will indeed live up to the opportunities that we have.

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, this government will be known to history as the government that gambled and lost. Cold bloodedly and deliberately it has gambled on taking measures the textbooks prescribed to cut down inflation. It knew perfectly well that such a massive slowdown of the economy would cause massive unemployment. The Prime Minister (Mr. Trudeau) said he could live with 6 per cent unemployment. The chairman of the Prices and Incomes Commission subsequently told a university audience that he and others knew that the unemployed would bear the brunt of the fight against inflation. But this gambling govern-