

*Industrial Development*

● (1640)

Compared to the United States, Canada's rate of contribution to R and D is .9 per cent of its GNP. The industry in the United States and Canada accounts for 41 per cent of spending. The United States spends 2.3 per cent of its GNP on R and D. Industry contributes 71 per cent of that amount. This supports what I have been saying. Since a large portion of our manufacturing and resource industries are not owned and operated by Canadians, we do not have a very large contribution to R and D. The record is very discouraging.

Dr. Kerwin, head of the National Research Council, said that the contribution to R and D is not high enough, that as a result we are not developing the kind of growth and are not taking leadership in certain industries in which we excel and, therefore, must put more money into R and D. By 1985 the contribution to R and D should be at least 1.5 per cent of the GNP. Even at that rate, Canada would still be one percentage point behind the United States.

Mr. Speaker, I see that you are getting restless. Is my time just about up?

**Mr. Deputy Speaker:** You have about two minutes.

**Mr. Rose:** I was just getting warmed up, although I may have cooled off many other hon. members. I agree with the hon. member for Calgary South who said that we should have selective targets. If R and D is thrown at every industry, it does not mean that it will pay off. I have here an example given by Hazel Henderson in a paper published by Doubleday & Co. which cites that:

—the well-known cases of the steel works in Horndal, Sweden and the textile factory in Lowell, Massachusetts, which, with no additional inputs of capital over 15 and 20 years, continuously increased productivity at an average of 2 per cent annually.

That does not necessarily mean that all industries are equally suitable and will benefit from a transfusion of R and D. Research and development is a matter of motherhood. What we should be aiming our R and D programs at are areas such as those of high technology where we have a chance of developing, maintaining and expanding the Canadian interest. Another example would be alternative energy. In this way, Canada can accomplish a great deal, which it will not accomplish, as the motion says, as long as we sit here and only react to the United States. We must act, and the time is now.

**Mr. Stevens:** Mr. Speaker, I would like to bring a most grave matter of privilege to the attention of the House. It centres around the absolute contempt which the Minister of Industry, Trade and Commerce (Mr. Gray) has shown for the House today. If I may, I would like to take you through certain circumstances.

This morning on the national news it was announced that there would be an announcement with respect to Massey-Ferguson. I asked the minister in the question period at approximately 11.55 this morning the following question: "Madam Speaker, my question is for the Minister of Industry, Trade and Commerce. Has he any statement to make with respect to

the present negotiations involving the Massey-Ferguson situation and, if so, could he tell us what form the statement will take? Will he be making a statement on motions, or how will this House first be informed as to what his conclusions are?"

The minister replied: "Madam Speaker, I have no statement to make at this time, but the matter is under active review."

I have since learned that not only did the minister have a statement, but it was actually being typed and prepared at the time of my question, not for presentation to this House of Commons, but to a press conference which the minister chose to call by posting a notice in the press gallery which stated:

The Honourable Herb Gray, Minister of Industry, Trade and Commerce, will be available to meet with members of the media as follows:

Date: February 6, 1981

Time: 3 p.m.

Location: C. D. Howe Building  
235 Queen Street  
11th Floor  
Executive Complex

Subject: Massey-Ferguson

In spite of the fact that the minister was questioned this morning on this matter, that today was an opposition day on a motion which touches on this matter and that the minister spoke in this House on that motion between 12.30 and one o'clock today, he gave absolutely no notification to this House that he intended to make an announcement today concerning Massey-Ferguson. The minister chose to hold a press conference at three o'clock to present a prepared text and a backgrounder concerning his position on Massey-Ferguson. Even after the press conference, the minister failed to return to this House to give an explanation as to what he has in mind with respect to Massey-Ferguson.

I intend to go into more detail on my question of privilege, but I would merely like to give notice at this point. If my question of privilege is not found to be valid on the point I am raising, then this chamber becomes redundant. It is absolutely immaterial as to what we wish to debate or what questions we wish to put to the minister, if he is allowed to be so contemptuous of what is the supreme body of this nation.

I give formal notice of my intention to raise a question of privilege on this matter. I hope we will at least be given the opportunity to debate the matter fully before a decision is taken as to whether a minister of the Crown can treat this House as contemptuously as we have witnessed today.

**Mr. D. M. Collenette (Parliamentary Secretary to President of the Privy Council):** Mr. Speaker, you have given the hon. member for York-Peel (Mr. Stevens) latitude to develop his question of privilege this afternoon. I realize that these questions are usually dealt with in the normal way following question period, but I would like to respond to the hon. member since he has outlined his case. The hon. member has given more than mere notice, and if he is allowed to make his arguments this afternoon and raise them again on Monday, then he is having two kicks at the can, to use a colloquial expression, and I resent that very much.