

Oral Questions

examination by Dr. Edwards, for example, of senior officers of the Atomic Energy Control Board and the same sort of allegation was made. I believe the answers at that time dealt with this particular concern quite satisfactorily.

Mr. Lawrence: A supplementary question, Mr. Speaker. As a result of the information that has been placed in our hands and in the hands of others, obviously the Atomic Energy Control Board has itself been very seriously questioning not only these design standards but also safety standards in relation to the public at large: they have been questioning them very seriously, and apparently some changes have been made.

As a result of these reports and as a result of this highly complex and technical information, are the design faults themselves now being rectified in secret, or are the safety standards being lowered, again with no public disclosure of these facts?

Mr. Gillespie: Mr. Speaker, the hon. member makes the perfectly legitimate point that the Atomic Energy Control Board has been seriously questioning procedures, which is the phrase he used. I think he would agree that that is the proper course for the Atomic Energy Control Board to take. I am very pleased that he has noted they have been acting in this area.

They have made it clear to me that they have these matters under continuing review, and if they see an opportunity with respect to a particular system which has not previously come to their attention and requires improvement, they will initiate the necessary measures.

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THE CANADIAN ECONOMY**INCENTIVES TO INCREASE PRODUCTIVITY**

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I have a question for the Prime Minister. As Canadian productivity remains 20 per cent below that of the United States—by far our most important industrial competitor—and our wage rates are generally higher than theirs for comparable jobs, would the Prime Minister advise the House why he and his government persists in refusing to introduce productivity incentives to be paid in direct proportion to increases in productivity, as greatly increased productivity is the only way we can continue to pay higher wage rates than those paid by our chief industrial competitor and stay competitive in the marketplace?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, this seems like a re-issue of the speech I made in this House last October when I quoted those very figures. The difference

is that I indicated the 80 per cent figure had narrowed the gap from a much larger productivity gap and that, indeed, in some areas the productivity of Canadian workers was very close to the 100 per cent mark of productivity in the United States. If the hon. member wants to review the figures in detail, I can give him more information.

In so far as wage costs are concerned, I made the point that in the past few years our wage costs in manufacturing have been notably higher than in the United States. I indicated that with the devaluation of the Canadian dollar, this gap had also narrowed to practically zero.

Mr. Hees: Mr. Speaker, a supplementary. If the Prime Minister will take the time to read the latest reports put out by his government and the government of the United States on this question, he will see that what I have said is completely correct; that our productivity today is still 20 per cent lower than it is in the United States. This is a very serious situation.

In view of the fact that this country has a trade deficit of more than \$11 billion per year in fully manufactured products—and they are the ones which produce the jobs—and as the Canadian Manufacturers' Association recently stated that if we can overcome this deficit we can provide 800,000 additional jobs for Canadians, would the Prime Minister, in the interest of this country, give very serious and worth-while consideration to introducing the kind of incentives that I have discussed with him on many occasions and with which I think he agrees, so that we can take the first important step to provide those 800,000 additional jobs for Canadians?

Mr. Trudeau: Mr. Speaker, if the hon. member has been following the multilateral trade negotiations, as I am sure he has, he will know that in the Canadian negotiations with Japan on one hand, and with the European Community on the other, we have been attempting to make sure that the totality of our exports to those countries includes a much higher percentage of manufactured goods.

One of the approaches we are using, which I am sure has the support of the hon. member, is to take part in the multilateral trade negotiations with sector approaches, indicating that if a country wants to import some of our raw materials at a certain tariff, it should also be importing the manufactured goods made from those raw materials at the same time. This has been explained to the House many times by the Minister of Energy, Mines and Resources, who initiated them when he was with Industry, Trade and Commerce, and by the present Minister of Industry, Trade and Commerce. I will make sure that the hon. member is brought up to date on their speeches.

[Mr. Gillespie.]