

*The Address*

● (1520)

I would also like to take this opportunity to once again express to the Prime Minister my sincere congratulations on his election in the riding of Saint-Maurice adjoining that of Trois-Rivières and assure him of my co-operation on any regional issue that we may have to resolve together in the best interest of our respective constituents.

As the Official Opposition critic for Industry, I would now like to address a very important issue for Quebec and Canada, namely industrial development. The Minister of Industry is in the House.

Job creation must be based on a consistent industrial policy that will allow the Quebec and Canadian economy to stay competitive. The government's throne speech contains vague statements about helping small and medium-sized businesses by working with financial institutions to improve access to capital for these businesses. What they need is concrete immediate action and not policy statements. Small and medium-sized businesses have been hard hit by the recession and the single-minded inflation-fighting policy pursued by the Bank of Canada. It is a well-known fact that, during an economic slowdown, banks tend to turn their backs on small and medium-sized businesses.

In Quebec, small and medium-sized businesses generate 46 per cent of all private sector revenue, 1,200,000 jobs or 46 per cent of private sector employment, and 52 to 54 per cent of private sector salaries.

Quebec has always been especially sensitive to the needs of small business. Many small businesses that started off in their founder's garage have now become global enterprises, like Bombardier, Cascades and others.

The problem is that Canada does not have a consistent industrial policy. It is in fact impossible for Canada to adopt such a policy because economic conditions vary from one region to another. This situation locks the government into a piecemeal strategy suitable only for damage control and partial solutions. However, it insists on retaining economic powers that the provinces need in order to develop their own industrial policy.

We saw it clearly when the Quebec government tried to put in place its industrial cluster strategy. To carry out this strategy, the Government of Quebec did not have the powers it needed, like occupational training and unemployment insurance, to name only these.

We must admit the obvious: Canadian federalism does not work. Quebec can only achieve its full economic potential if it is sovereign. Only then will it have all the economic powers to implement a real industrial policy.

I think that I can already hear our federalist friends telling us that Quebec sovereignty would mean isolation and turning inward. Nonsense, Madam Speaker. Quebec is a trading nation: about 40 per cent of its gross domestic product is exported to Canada and other countries. Why would it turn in on itself? Indeed, Quebec could even improve its access to its Canadian partners by becoming sovereign. The Minister of Industry himself said in his speech in this House last Friday that the rules governing interprovincial trade were rather like those of the GATT in the late 1940s, and that under NAFTA, it was easier to deal with the United States than with the other Canadian provinces. That means that a sovereign Quebec could trade more easily with the Canadian provinces. We are in favour of opening international markets and Quebec was a great supporter of the free trade agreement and of NAFTA.

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Quebec industry is active in leading sectors like aerospace, telecommunications, pharmaceuticals and biotechnology in general, where Quebec is at the forefront of technology and compares favorably with any country in the world. Nevertheless, some Quebec industries have some catching up to do to remain competitive.

These industries are usually labour-intensive—textiles, furniture, clothing—and will have to adapt to face foreign competition resulting from the GATT and NAFTA. The negative impact of globalization of markets on companies and on workers in these industries must be minimized. We would have wanted to find in the speech from the throne conversion or modernization measures to help these industries remain competitive in a world of global markets.

Let us talk about industrial conversion. While the Liberals' red book made a big issue of it in the election campaign, there is not a word about it today or in the speech from the throne or in the speech by the Minister of Industry in reply to the speech from the throne. In this context, the danger facing us is that the federal government will show the same disregard as it showed by failing to help manufacturing companies adjust after the free trade agreement with the United States was signed.

Nevertheless, the red book said, "The end of the Cold War puts at risk... thousands of high-tech jobs. A Liberal government will introduce a defence conversion program to help industries in transition from high-tech military production to high-tech civilian production." Since then, not a word. This lack of action by the government regarding assistance to the less competitive sectors which will be affected by NAFTA and the GATT is not a good omen for the reconversion of military industries.

It must be realized that the end of the cold war has already had a major impact on the level of employment of that industry, both in Quebec and in Canada. According to the research group on military industries, in the five years between 1987 and 1992, the