

The Address—Mr. Axworthy

unable to find any reference or any acknowledgement that the problem existed. However, I found a statement by the Prime Minister concerning research and technology. It indicated that the budget for the NRC should be increased by at least 20 per cent, because it was one area where it made absolute sense to invest, particularly when it came to manufacturing technology. That was one area which required a lot of attention. However, what did we get? Instead of what the Prime Minister wrote in those days when he was trying to obtain the support of Canadians, we got the cancellation of an obviously worthy project. This is something which flies in the face of the need for research and development. It also flies in the face of what the Prime Minister promised prior to his election.

With the caveat that I think the Hon. Member for Winnipeg-Fort Garry displays a selective memory with respect to FIRA and the way in which the Liberals moved with respect to FIRA prior to the election, I think all Members of Parliament from Winnipeg should join in censuring the Government for that action. Not all Winnipeg MPs have done so, such as the Hon. Member for Winnipeg-Saint James (Mr. Minaker), the Hon. Member for Winnipeg-Assiniboine (Mr. McKenzie), and others. They have been absolutely silent while their own city has been savaged by this cut. It was the one chance that Winnipeg had to reverse the long-standing concentration of manufacturing and technology in eastern Canada. Those same people moaned for years about western Canada not having enough representation in Cabinet and in government, but they are absolutely silent when this happens to Winnipeg. I think that is disgraceful.

Mr. Axworthy: Mr. Speaker, I thank the Hon. Member for Winnipeg-Birds Hill (Mr. Blaikie) for his comments. His reference to the book of the Prime Minister (Mr. Mulroney) *Where I Stand* reminds me that the Prime Minister is very much like the man who cut down a redwood tree, then got up on the stump and made a speech about conservation. Again he is simply contradicting himself. In addition to the very savage cuts in the NRC, the elimination of the ongoing major research and development programs of environmental and atmospheric testing in Gimli and Churchill is equally disastrous. It will eliminate some 25 jobs. It will totally eliminate the opportunity for Canadians to be involved in high atmospheric research. More important, I discovered just this morning that it will eliminate a number of money-making contracts with the National Aeronautics Space Administration in the United States. It contracted that atmospheric group to conduct tests. The group was actually turning a profit, it was actually paying its way. The cancellation of a \$5.8 million project will mean a loss of \$22 million to the Canadian national account along with 85 jobs. That is what we call Tory economics. There is almost a religious catharsis in cutting something rather than endorsing something, allowing it to grow, and nurturing it so that it becomes a useful product.

We are trying to say that we are no longer talking about economics or politics. We are now talking about theology or a cast and bound ideology which is satisfied more by the adherence to some remote and abstract theory, which they picked up

by reading books written by Margaret Thatcher or someone, than by looking at down-to-earth, practical realities in terms of what will make the country grow. That is what we are objecting to. When they reach the point of deciding upon an economic blueprint, they should look at what is practical and effective.

As far as FIRA is concerned, I point out to the Hon. Member for Winnipeg-Birds Hill that in fact we made administrative reforms in FIRA which substantially cleared up the time necessary to service applications. There was a real complaint that they took too long. In 1983, as a result of administrative changes, we could turn around applications, some 70 per cent to 80 per cent of them in the first 45 to 60 days. We were able to say to someone applying that we could give them a proper and effective response. This did not eliminate a vital necessity, that is, the test of economic and significant benefit to Canadians. We used FIRA as a way of calling to account various proposed purchasers of Canadian business and negotiating with them. FIRA became a negotiating agency in order to ensure that we obtain world mandates, commitments on R and D, on purchasing and on job creation. That was the purpose of FIRA. We want that maintained. We need it as a continuing control agency. We do not want it eliminated, as the Minister of Regional Industrial Expansion (Mr. Stevens) proposes.

Mr. Redway: Mr. Speaker, I was fascinated during this debate by hearing the Hon. Member for Winnipeg-Fort Garry (Mr. Axworthy) and many other members of his Party speaking about the economic answers which they seem to have. To my mind, they have extremely short memories. They do not seem to remember that the economic difficulties which we are now facing were created while they were in power and in government. They seem to have forgotten, for instance, the enormously high inflation rate of not so long ago. It was an inflation rate in double digit figures which reached in excess of 12 per cent. Their answer to that—those great solutions which they now say we should be following—was to raise interest rates. What did that do for the country? It created bankruptcies, both business and personal, such as we have never seen before. It created the unemployment which we have now, which is in excess of 11 per cent and reaching 1.5 million people. It created a situation where the industrial capacity of the country was operating at only about 65 per cent instead of 100 per cent. These were the great answers the Hon. Member and his Government gave to the country.

Apparently he is now suggesting that we should have more of the same sort of answers which created unemployment and reduced the standard of living in Canada from something like the third highest in the world to the thirteenth highest.

If the policies of the Hon. Member and his Government were so wonderful and answered all our economic problems, why has our standard of living slipped to where it has, and why do we now have 1.5 million unemployed people?