

Government Orders

I would like to state that it is really appalling when we look at the state of our educational system. It is appalling when we see that in Canada we have in excess of 38 per cent of our population who have difficulty reading or writing, who are considered to be functionally illiterate.

Just on this point, the question of literacy and illiteracy and the lack of investment on the part of the government in our human resources, I would like to say that a business task force that was set up some time in 1986 or 1987 stated that the cost of this to our economy was approximately \$4 billion and about \$10 billion to society as a whole.

If we look at the deficit of \$30 billion annually and we look at the cost of illiteracy alone of \$10 billion, it would not take a genius to conclude that investing in human resources is a key to addressing the question of shortages and the question of deficit.

In my view, what we should be focusing on is dealing with the question of education in a very aggressive and outward looking way through consultation with the provinces of course and through consultation with institutions such as universities, colleges and school boards. Unless we do that it does not matter. We could keep throwing money at the problems day and night. That will not solve it. Unless we start looking at the human resources and trying to help them out to move forward, there is no way we could deal with the question of deficit.

Let me assure you that we could, perhaps by the year 1995-96, have a balanced budget, but that will not stay for very long because another difficult year like the years we had in 1981-82 and everything will be out of whack. We will have the same cycle we have gone through in 1981-82, and we are just coming out of 1990-91, all over again by the year 1997-98.

The whole answer to this question is through investment in our human resources.

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, I want to congratulate my colleague on his continued battle to try and bring the issue of illiteracy to this House of Commons and certainly trying to push the government on investing in human capital.

• (1350)

Mr. Speaker, through you to my colleague, I want to pursue a line of thinking. I have always contended that we are going to have to attract foreign capital to this country, which eventually will be one of the ways in which we create downward pressure on interest rates that ultimately will help our economy in every sector.

Foreign capital naturally looks at the levels of productivity. When we look at the levels of productivity in a company, or in a country, we do not only look at how hard people work. We look at how skilled the labour force is. One of the things that I hear over and over again from manufacturers, not only in my riding but other ridings across southern Ontario, is the difficulty they have in finding a skilled labour force. In order to have a skilled labour force we need a high level of literacy. We need people who understand the basics of reading and writing.

I would like to ask my colleague: Does he not think this investment in making sure that we become a more literate nation not only affects us in the short term in terms of our productivity, but ultimately will have an effect in terms of the whole economy and downward pressure on interest rates and the dollar?

Mr. Harb: Mr. Speaker, no one could have put it more nicely than my colleague from Broadview—Greenwood. I want to thank him very much because he too is pushing for the same cause. No wonder he is a Liberal.

There is no doubt in my mind that more emphasis has to be put on the question of productivity. The reason why I say this is because it is really amazing that Canada is one of the largest exporters of wood, for instance, but we still import saws from Italy, among other countries, to cut the wood.

We have a very strong mining industry and we ship raw materials to Japan, Hong Kong and elsewhere, but we still import the machinery to gather the raw materials.

I totally agree with my colleague that to become more competitive we must spend more money in the area of research and development and in the area of education. We must, there is no doubt in my mind, make manufacturing a priority. All of these wonderful raw resources and raw materials, all of the resources that we have in Canada right now, over the next 15, 20, 30 or perhaps 50