

Adjournment Debate

Canadian participation which costs the taxpayers of this country \$400,000 annually.

To start with, the Systems Analysis approach to global problem-solving is increasingly decried as a passing fad, or worse, as an intellectual fraud committed by bureaucrats of participating countries. It is for this reason that the venerable Royal Society of the United Kingdom recommended an end to British participation in this venture. In fact, the British Government stopped financial support by the end of last year.

The United States also withdrew financial support from the institute. Americans decided that their money could be spent elsewhere and that the technological benefits gained by the Soviets at the institute outweighed those obtained by the West. In fact, the Americans realized that under the guise of international co-operation, the Soviets are using the institute as a vehicle for access to Western scientists, technology and data banks without providing anything valuable in return.

The Soviets over the last decade or so succeeded in acquiring the most advanced Western technology by using, in part, their technological and scientific agreements with the West, thus supplementing their clandestine purchases of Western equipment and know-how.

Together with Austria and Switzerland, Canada seems to have become, unwittingly or otherwise, one of the most frequently used Soviet intermediaries in transferring American and Western technological innovations to the Soviets. I am not going to cite the well-known examples in this respect which occurred in the recent past. I am going to mention two lesser-known ones.

I would like to call the Government's attention, for example, to the trans-shipment from Detroit via an Ontario firm of a complete car assembly technology capability to the Lada, factory in Soviet Russia. The other involves a Canadian manufacturing company in Montreal named Velan Engineering which exports high-pressure valves to Russia, Czechoslovakia and Hungary. The latter case involves components which are almost exclusively used in rocketry and the nuclear industry. Believe it or not, it appears to be a quite legal undertaking, given that over the years these particular exports were backed up by many millions of dollars from the coffers of the federal Export Development Corporation.

It seems that Canada is one of the best examples of the old Communist doctrine that Western capitalistic countries will sell Communists whatever they need to succeed. In the Velan case, for a few million dollars we weaken and jeopardize our future as a free society. Interestingly enough Mr. Velan, as he calls himself, appears to have the background of a refugee from a worker's paradise in Eastern Europe, I believe Czechoslovakia. Suffering perhaps from pangs of conscience at the time of the Soviet invasion of Afghanistan, he was quoted in the Montreal press to the effect that he was curtailing his dealings with the Soviet Union, but an examination of his record indicates that the business was merely shifted to Hungary and Czechoslovakia.

In the IASSA matter, we are giving the Soviets not only access to our technology, but also an annual bonus for the upkeep of this institution, whatever it should be called, of about \$400,000.

The Canadian representative who appears to be a catalyst here is Dr. Michael Kirby whose expertise runs the gamut from railways to fish. Nonetheless, I would urge some of the more responsible and sensible Cabinet Ministers opposite, such as the Minister of State for Science and Technology, to reassess this whole affair and ask himself whether this is really a better use of our resources at a time when every dollar that we need for Research and Development could be better used here in this country.

● (1805)

Mr. Jim Peterson (Parliamentary Secretary to Minister of State for Economic Development and Minister of State for Science and Technology): Mr. Speaker, I am indeed pleased to be able to respond to the Hon. Member for Central Nova (Mr. MacKay).

Let us examine first of all the reason why the United States has withdrawn from this organization. They have cited budgetary reasons, and I believe that factors relating to the cold war might have also been a part of that influence. But what has happened in the United States? The official role of the Government has been assumed by the American Academy of Arts and Sciences, and this Academy is being supported by industry, foundations and private sources, thus the continuing participation of the United States in these exchanges is assured. In the United Kingdom, the Royal Society has withdrawn, but there is, nevertheless, a body of support within that country for continued types of exchanges of know-how and technology, and we have a feeling that perhaps this official relationship is going to be maintained between the United Kingdom and the Organization through the Fellowship of Engineering.

As to Canada's relationship, we joined in 1972, and the question is, can we as Canadians, a technology-hungry country attempting to compete on world markets, do this in isolation? I believe we have to be forward looking and resourceful in bringing new ideas to Canadian production, to Canadian manufacturing, new Research and Development and new know-how to Canadians, in order that we can compete in world markets. Many other countries in the past have benefited from exchanges. They have adopted the highest technologies they have found in the West, and they are now out-competing with us in world markets. That is the opportunity we have by participating in organizations which offer Canadian scientists and engineers the opportunity to learn what is going on in other parts of the world.

Let us not condemn these initiatives on the basis of smear and innuendo. I do not believe this should be a basis for attacking someone who has been working assiduously to come to grips with the very difficult question of the fisheries, which affects the Hon. Member's riding very closely. I believe, Mr. Speaker, that Canadians from all walks of life should be more