

was president of the Confederation of National Trade Unions said in a speech in Montreal just over a year ago:

The core of modern economy is research, yet here we are spending 1 per cent of the U.S. research figure. We are situated in the zone of influence of the largest economy in the world, yet we have done virtually nothing towards research—the driving force of any economy.

The Minister of Industry (Mr. Drury), speaking in March of last year in the city of Montreal, said:

The need for more research means that first priority must be given to the universities and other educational institutions, to ensure a continuing supply of qualified engineers and scientists in future years.

In the same speech the Minister of Industry gave a list of nine countries and showed the percentage of their gross national product which was being spent on research. Interestingly enough, Canada is at the bottom of the list. The United States spends 2.84 per cent on research, the United Kingdom 2.37 per cent, Soviet Russia 2 per cent, Japan 1.48 per cent, West Germany 1.18 per cent, Sweden 1.7 per cent, France 1.5 per cent, the Netherlands 1.4 per cent, and Canada 0.86 per cent. In the light of these figures and the statements of these two ministers with regard to the importance of research, what do we find in the budget speech of the Minister of Finance? The minister makes the announcement that because of the boom the government has decided that a building required by the National Research Council, the major research organization in Canada, will not be proceeded with this year because we simply have to slow up the boom.

On the day on which the minister's budget speech was reported in the Ottawa newspapers there was a report in those same newspapers that one of the large builders in the city of Ottawa was going ahead this year with the construction of a \$30 million office and apartment complex. He did not listen to the minister's call for restraint, for a stretch-out. I do not blame him. He was interested in making a profit. There is nothing wrong with that. He is interested in building facilities which people with money are willing to pay for, so he is going ahead.

I suggest that if the minister was concerned about the boom and directing it, instead of simply announcing that the government will not go ahead with necessary projects, projects of the greatest importance to the welfare of all the people of this country, he would have considered, as he has not,

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some system of priorities so that if we have to curtail our building boom at all we would curtail those things which are of the least importance to the Canadian people.

The need for an increase in the expenditure of money and effort for research was very well documented by McGill University in a submission they made to the Bladen Commission. I want to read in summary some of the things they said. They point out, with regard to the biological sciences:

While comparatively well-supported, these sciences are in fact not given the support they should have, and their strength is comparative only.

Then they say that Canada is not putting enough money and effort into research and therefore all the areas of endeavour are under supplied. Then they say further:

In the case of the biological sciences, the main concern at present is the loss of American funds due to the change of policy whereby research funds are to be spent within the United States rather than outside it.

Has there been any announcement by the government that there will be a replacement of these funds? If there has, I have not heard of it and neither have the universities. What do they say about the physical sciences? This is what McGill University had to say in this submission:

The physical sciences are in a worse plight, both comparatively and absolutely. The cost of sophisticated equipment is now becoming such that a scientist being invited to join a university staff will often detail his equipment and funding needs as a condition of his acceptance. The shortage of staff in the physical science departments, due in part to the opening of new universities, the drain to the States, and the continual movement into industry, put the chairmen of these departments into a most unenviable position.

These are just two illustrations of the problems that McGill University is facing. In their submission to the Bladen Commission they made some very specific recommendations.

• (3:30 p.m.)

I want to quote just a few of them:

That the government at least double the funds now given to universities to support research in the sciences, with the particular intention that institutional block grants may be greatly increased.

That the government declare forthwith a policy of replacing United States financial support with grants from its own funds, as that support is withdrawn from Canadian projects.

That the government allow an overhead institutional charge of 40 per cent of the total amount of all grants made to academic personnel working in Canadian universities.