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Another important reason for doing more research and development in this country is that we want to be in a position to invite less foreign capital each year. In the past we have invited a great deal of foreign capital to this country because that capital, when it entered, brought with it much needed technology which we Canadians did not possess. If we can develop more of the technology we need by increasing research and development which will enable us to be competitive, we shall, of course, become increasingly less dependent on foreign capital. This decreased independence will bring about the situation to which we all devoutly subscribe, the situation in which we shall be able to own and control more of our development in Canada.

I have asked the Minister of Industry, Trade and Commerce (Mr. Gillespie) several times in the House and in the Finance, Trade and Economic Affairs Committee to say what the government is doing to increase research and development undertaken in this country. The minister has always given the identical answer. He has simply mentioned a list of programs which the Department of Industry, Trade and Commerce has been carrying out for a number of years, ever since it cancelled the excellent program which the previous Conservative government had introduced and which had been working very well. The previous government's programs had encouraged more research and development to be undertaken in this country.

As I say, each time, after being asked such questions, the minister has simply said, "Here is what we are doing." An answer like that may be satisfactory if the programs which the minister has been enunciating and mentioning every time I ask the question, do the job which must be done. If those programs had steadily increased research and development being undertaken in Canada, nobody would find fault with the government or with the minister in this regard.

However, it has become painfully clear, according to figures I gave today, and according to our trade performance which becomes worse month by month, that these programs simply have not done the job. They are simply inadequate for doing the job which must be done. Consequently research and development in Canada remains at a dangerously low level compared with research and development undertaken by our industrial competitors. Compared with what they are doing, our research and development effort is falling behind every month. Consequently our exports have been falling steadily and imports to this country rising steadily. People in other countries are taking more and more sales away from us.

What is the result of this? Canadians are finding fewer and fewer jobs. Because orders are not being placed by Canadians in Canada for Canadian goods, and by foreign buyers in other countries for Canadian goods, Canadian workmen cannot find jobs. The situation I have mentioned is the reason why 7.2 per cent of our work force is unemployed today. According to indications the new figures, when they are announced, will be considerably higher. I fear that the rate may go up to 8 per cent or perhaps 8.5 per cent this year. That is a shocking situation.

Science and Technology

The reason for what is happening is obvious. The Minister of Industry, Trade and Commerce and the government refuse to face the necessity of introducing programs which will encourage more research and development. Such programs will bring our costs down and bring the quality and design of our goods up, thereby making it possible for Canadian producers to sell more Canadian goods in this country and abroad.

I have mentioned on several occasions in this House the sort of program we need, and I will repeat my suggestion, because only with repetition can one hope to persuade the government to do something which makes sense. In order to induce Canadian firms to undertake more research and development, we must make research and development attractive for them. We must make it attractive for them to do what is in their own best interest.

What is this incentive which I have spoken about over and over again? I suggest that we should allow industry each year to write off 200 per cent of the cost of current and capital expenditures on research and development. That write-off should be in excess of expenditures made in the base year, or the last full year before that program is introduced.

The benefits of such a program would be considerable. It would, in addition to allowing businessmen to write off the full cost of research and development in one year, put a considerable cash reward in the pockets of those companies undertaking such a program. We all know that nothing appeals to businessmen so much as the prospect of cold cash. If you make it worth a businessman's while, you will find that he will carry out such a program. Businessmen will do it if they find it worthwhile.

The program I mentioned did not just come into my mind. It is not an untried program. It has been tried many times, and has succeeded every time. It has succeeded in other countries, and succeeded in this country, when the government of which I was privileged to be a member introduced it. It was very successful and did the job which had to be done. I urge the government to adopt such a program as soon as possible.

In conclusion, I say to the minister responsible for science and technology, to the Minister of Industry, Trade and Commerce, and to other members of the government, get your heads up out of the sand; realize what is going on; realize that our competitors are making us look foolish. They are coming to Canada and taking orders away from us every day. Every day they are taking away orders from us in the export market, orders which should be ours and which would provide employment for Canadians. We are losing those orders because our products are not attractive enough from the point of view of price, quality, and design.

I have mentioned cold, hard facts, of which people in the business world are aware. Instead of thinking about these things, the government's thoughts are up in the clouds. Members of the government are thinking about the quality of living and other esoteric subjects on which the Prime Minister (Mr. Trudeau) likes to dwell. He thinks about these things instead of dirtying his fingers with the hard, cold facts of industrial life in this country, facts which indicate that Canadians want to work instead of