

• (1540)

RESEARCH

RELATIONSHIP OF GRANTS TO FOREIGN COMPANIES TO GOVERNMENT POLICY ON FOREIGN OWNERSHIP

Mr. David Lewis (York South): Mr. Speaker, I should like to direct a question to the Prime Minister arising out of the report of CALURA, the report under the act requiring corporations and labour unions to make certain returns, and arising out of the fact that the report shows that Canadian controlled companies obtained 7 per cent of their research and development funds from federal government sources and that foreign owned companies received 23 per cent of the funds spent on research and development. Can the Prime Minister tell the House whether this discrepancy between Canadian and foreign owned companies with respect to government grants in the field of research and development is consistent with the existing government policy in the field of foreign ownership and in development and research.

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, perhaps I can answer this question but in order to do so properly I would have to make certain qualifications. First of all, the statistics quoted by the *Globe and Mail* are not exact; it is 19 per cent, not 23 per cent. Secondly, the figure given by Statistics Canada does not cover the whole of the research and development. For example, IRDIA grants are not included, and under that program Canadian-owned companies do much better than American-owned companies in Canada. Thirdly, the figures do not take into account research and development done by American-Canadian owned companies outside Canada, and this would be an important factor. All of these factors would have to be taken into account in order to make a proper assessment of what the situation is. Basically, the answer is that one day the opposition complains that American-owned companies are not doing enough research in Canada and the next day, as today, they complain that they are getting more government funds as they are doing more research—

Mr. Speaker: Order, please. I think the hon. minister would agree that he is now debating the issue. The hon. member for York South on a supplementary.

RELATIONSHIP OF DEFENCE CONTRACTS TO ALLOCATION OF FUNDS

Mr. David Lewis (York South): A supplementary, Mr. Speaker. Unfortunately, I cannot debate that question with the minister, but may I ask him whether one of the reasons for the way in which funds are decided is related to defence contracts? Is that the area in which the foreign owned corporations do more?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, defence is one of the areas where American owned companies in Canada do more research and development than Canadian owned companies. Generally speaking, a lot of the American companies research in Canada is in the more technologically sophisticated area of Canadian industry and my department

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Inquiries of the Ministry

gives grants without reference or discrimination concerning the ownership of the company. As they do more, they get more research funds.

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ELECTIONS

GOVERNMENT POSITION ON AMENDMENT TO CORPORATIONS AND LABOUR UNIONS RETURNS ACT REQUIRING REPORTING OF POLITICAL CONTRIBUTIONS

Mr. David Lewis (York South): May I have a further supplementary which I should like to address to the Prime Minister. In view of the fact that the government, for one reason or another, has not introduced and is not proposing to introduce in this session any legislation dealing with election expenses, is the government considering or would the government consider introducing an amendment to the act requiring both labour unions and corporations to report their contributions to political parties and candidates?

Right Hon. P. E. Trudeau (Prime Minister): I shall look at the suggestion of the hon. member, Mr. Speaker.

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AUDITOR GENERAL

POSSIBILITY OF REPORT TO SPEAKER TO GIVE FREEDOM IN DECIDING STAFF MATTERS

Mr. Lloyd R. Crouse (South Shore): I have a question for the Minister of Finance supplementary to the one asked by the hon. Leader of the Opposition. Since the Auditor General is a servant of this House, has the minister given any thought to having the Auditor General report to the House of Commons through the Speaker who would then determine the total budgetary requirements of the Auditor General? In this way the Auditor General would be free to establish rates of pay and other conditions of employment for his staff, as well as the size of his establishment, provided he stayed within his budget. This could well eliminate the present impasse.

Hon. John N. Turner (Minister of Finance): Mr. Speaker, how the Auditor General should report is a matter for Parliament to decide, because he is an officer of this House. Perhaps any representations should be made to the committee which will hear this matter.

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[Translation]

CENSUS

DATE OF PUBLICATION OF RESULTS

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I have a question for the hon. Minister of Industry, Trade and Commerce.

May I ask him whether the results of the 1971 census will be published shortly?