

Restraint of Government Expenditures

areas in which it will probably not do nearly as well as the private sector is doing.

Of course, the government may be able to achieve some restraint in DREE. I happen to come from a constituency a large part of which was especially designated for a number of years under DREE and now, under the Regional Development Incentives Act, is eligible for DREE grants. But the strange thing is that of the 16 or so companies that received DREE grants in my constituency, over 50 per cent have gone bankrupt. I am not sure that the successful ones really needed government money to make the investment, such as Union Carbide, that small international firm, Chase Nuclear, Noranda Metals—all very small firms. They are the ones which received DREE grants and which are successful in my area, but the other firms went bankrupt. Of course, the promoter did not lose his shirt, but he did not advance much money, anyhow, when he tried to follow on a government grant.

That is what is going on in DREE. The first DREE grant that was made in New Brunswick went to the McCain food people who, of course, were the people in New Brunswick who supported the present Prime Minister (Mr. Trudeau) when he was running for leadership. I am sure there was no pork-barrelling done in that situation. It is just that my eyes keep deceiving me when I see these big firms getting the money, and I wonder why they always support the Liberal party.

Perhaps there should be some cuts in the DREE area. Perhaps the government should reassess itself. We now have 32 cabinet ministers, the largest number of cabinet ministers we have had at any time since confederation. Is the government more complicated, or do they just need more idiots to do the bungling job they are doing? A lot of them do not appear to have any responsibility. I understand that there is one minister without portfolio whose only responsibility is to be the whip of the party, and that was his position before he was appointed minister. I do not know whether he has any other responsibilities in the House, but perhaps they will think of something in the near future. I wonder if he gets double salary!

What the government needs to do is put forth what they have in the way of policy to replace the Industrial Research and Development Incentives Act. I think they should tell the people what they can expect from the government before they wipe out what was in the past. If you are on an island, you want to build a bridge in front of you before you cut down the bridge behind you and isolate yourself.

As I indicated earlier, Senator Lamontagne, in his report, indicated that Canada had to make a sizeable investment in science and technology so as to maintain our standard of living and build a good industrial base for our society. Perhaps I should also say that the Organization of Economic Co-operation and Development indicated that of the 12 most prosperous countries in the world which it had surveyed and which were spending various percentages of their gross national product on research and development, Canada stood tenth. There were nine other countries ahead of us, namely, the United States, France, the United Kingdom, Sweden, Germany, the Netherlands, Belgium, Japan and Norway. So we end up with those

[Mr. Dick.]

who really believe in making the investment, but, oddly enough, among those countries are a number of countries which happen to be ahead of us in their standard of living.

In saying that Canada is tenth in line and that we are flying by the seat of our pants, I am trying to express concern about the small amount of money that the Canadian government has encouraged should be spent on research and development. In order to show the concern that many people in this country have had about this, I should like to read an extract from a letter written to me by a constituent, a small company which started a year and a half ago with four founders and which has now grown to the extent of employing 19 people. In its second full year of operation it appears that this company will have a capital of half a million dollars. Perhaps I can sum up by indicating that it got its start because it had \$19,000 in the form of an industrial research and development grant and is now employing 19 people rather than four. I believe this is the type of program which business needs in this country.

May I call it five o'clock, Mr. Speaker?

PROCEEDINGS ON ADJOURNMENT MOTION

[*Translation*]

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Deputy Speaker: Order, please. It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised at the time of adjournment are as follows: the hon. member for Halifax-East Hants (Mr. McCleave)—Central Mortgage and Housing Corporation—Allegation borrowers asked to use lawyers selected by corporation; the hon. member for Medicine Hat (Mr. Hargrave)—Agriculture—Request for assurance beef quotas applicable only to meat in transit to Canada on October 17; the hon. member for Cape Breton-East Richmond (Mr. Hogan)—Energy—Reason for failure to subsidize cost of electricity in Atlantic region.

[*English*]

It being five o'clock, the House will now proceed to the consideration of private members' business as listed on today's order paper, namely, public bills, private bills, notices of motions.