

*Industrial Research Incentives Act*

ies in this country do much less research and development than their parent firms in the United States. I refer specifically to the report entitled, "Statistical Data on Research and Development in Canada," compiled by the former Department of Industry in 1967. The pages are not numbered, but I refer in particular to table 13. This table shows conclusively that American-owned industry in Canada—as an example, the petroleum industry—does considerably less research and development here compared with that industry in the United States, but even so it does much more here than is done by its lazy competitors in Canadian-owned firms.

The important point, in my judgment and the judgment of my party, is that it is essential for the survival of this country that not only do we get more control of the Canadian economy as such, but that we begin to get control in the crucial new areas of industrial development in which research and development programs play such an important role. We need a Canada Development Corporation that will mobilize Canadian capital to invest in new and growing sectors of the economy, which will provide a foundation for Canada from which it can launch into meaningful, successful competition in the international market and get us beyond the old, traditional branch plant structure.

One of the most important aspects of the Canada Development Corporation's activity would be to mobilize teams of experts for research and development programs. So far the minister has not had anything to say about this. Perhaps he is waiting for the cabinet report on what the government intends to do about the general problem of foreign investment. If he does not comment on this matter tonight, I look forward to his comments on it in the not too distant future. It is a serious point on which the hon. member for Waterloo (Mr. Saltsman) and other members of this party have spoken at length.

Dealing specifically with resource industry, I ask the minister this question: If it is the case, and I think it is, that one of the most exciting and interesting developments in modern industry is that which is taking place in the petro-chemical field, and if it is also the case that we have substantial amounts of petroleum in Canada, and further, if it is also the case that most of this industry happens to be foreign-owned, would the minister and the government give serious consideration to bringing the industry within public ownership?

[Mr. Broadbent.]

I ask the minister to consider this question and forget for the moment all the ideological implications, all the serious kinds of moral and socialistic arguments that could be made on the subject of public ownership. I ask him to forget these entirely and to deal solely with the question of an independent Canadian economy and the need to provide meaningful research and development programs that could stimulate real economic growth for Canada in the expanding international market.

In other words, instead of having an industry, in this case the petroleum industry, which is foreign-owned, which does the bulk of its research and development south of the border, would it not be desirable at this time to think not about nationalizing all Canadian industry but bringing this important, modern industry within public ownership and providing substantial funds to do research and development in the petro-chemical field? It is not just gas stations that are involved with petroleum; they are a very minor aspect of the industry. If publicly owned, I suggest we should provide millions of dollars for research and development in this industry and see where we can go as a country in the international field. This suggestion is being very seriously considered by my party.

● (8:20 p.m.)

I repeat, Mr. Speaker, that I am not asking the minister an ideological question about the merits of public ownership as opposed to private ownership in general, but specifically at this time when the hour is late, to say the least, in terms of maintaining Canadian economic independence, whether he thinks this might be one area in which public ownership might be precisely the answer. I am asking whether this might not be the best means to regain Canadian independence and to provide research and development leading to real economic growth for Canada in one sector of our economy. To repeat the point I made earlier, most of the research and development in this industry is being done south of the border. Because it is foreign-owned there is always a net outflow of capital south of the border as well. Public ownership could be the answer, both to getting more research and retaining profits.

I am pleased to note one improvement in the government's research and development program. For the past couple of years our party has been critical of the net financial advantage the government was giving to mili-