

*Research and Development*

Research can be divided into three major areas. First, what we call curiosity or motivated research; that is, research of a general nature to create more information in the general pool of scientific knowledge. It is important for scientists and those in universities to pursue this field.

Then there is a second area of research and development, the mission-oriented kind of research, or research that is addressed to some of the fundamental problems facing any country, involving things from the environment and industrial health to renewable energy, urban transit and so on. That is a very important sector of our research that likewise has been neglected over the years.

The third area, which is the area we seem to be concerned with in the motion tonight, is applied research. That is research we can apply directly to industry in the economy to enhance our manufacturing sector and our ability to produce and trade.

When we look at this government's policy—and this government has, of course, been in power for such a long period of time it cannot say this is something that has just occurred overnight—and when we look at past ministers of science and technology, especially the former minister, Mr. Drury, we find that the policy has been that we move to interdependence in terms of science; that we rely on importing from other countries much of our technology and research. It is argued that it is too expensive for a country like Canada to embark on research in these major fields, and it is much easier to import it.

As a result of that deliberate government policy of withdrawing from these very important fields, which every other modern country recognizes as necessary, we have seen a 30 per cent decline in research and development in Canada since 1970. As a result, is it any wonder that members of parliament when they are in their constituencies have more and more young people with university degrees coming to them with the lamentable story of how they or their parents have invested a great deal of money for their training and education yet now they cannot find jobs? That kind of problem in respect of unemployment among highly skilled young people today has to rest right at the doorstep of this government. The government has pulled us out of that kind of field of research, and we now find that our bright young engineers, technicians and scientists are having to leave the country. Indeed, the Prime Minister (Mr. Trudeau) said that if they cannot find jobs here they should leave the country. What kind of future hope is that for the young people of Canada? It is a lamentable state of affairs.

Research and development has been downgraded by this government and we are seeing the results in terms of higher unemployment. We are also seeing the results in terms of a declining manufacturing sector that has not been able to keep up with modernization, redesigning plants and moving into new basic areas that research and development could provide for them.

Today we rank almost last of all the industrial countries in terms of our commitment to research and development. I think

[Mr. Symes.]

we are second to that little country of Ireland in that sense. In 1975 only .36 per cent of our gross national product was devoted to research and development. It should be a minimum of 2.5 per cent.

Why are we sliding into this abysmal state of affairs? As I said, we have to look at the government, its lack of goals and its lack of planning. I am really amazed sometimes when I listen to the debates in this House and the contributions by members of the Liberal and Conservative parties who assume that, if we just let business alone and just let the economy return to the good old days of laissez-faire and Adam Smith, somehow we will solve all the problems we face now and achieve great progress. Those days have gone.

Any modern industrialized country today is involved in highly sophisticated economic planning. The governments of these nations have played a very activist role. No longer can we go back to the 18th century and that kind of competition and free enterprise. It does not exist any more in the world because we have moved into a more monopolistic kind of situation with the advent of the large and powerful multinational corporations. Even the multinationals undertake planning on a long-term basis. Modern governments undertake planning on a long-term basis. However, Canada moves from month to month and year to year without any coherent plan.

Is it any wonder, then, that we are facing economic difficulties today? You just cannot survive in the modern industrial world with an ad hoc policy or no policy at all. You have to commit yourself to goals and planning, and you have to bring the state into an interventionist role in the economy in order to survive, in light of the very powerful interest groups that exist today in the world economy.

We have to move along that line, and I do not see that direction forthcoming from this government, either in terms of economic strategy and planning for our economy or in terms of enhancing research and development through an impetus that government can put into this field. The great danger today is that we are moving toward a state of staid industrialization. We are going downhill rather than progressing so far as our manufacturing sector is concerned.

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The Science Council of Canada and many other studies have shown that the Canadian manufacturing sector is very sick. We have a trade deficit in manufactured goods which has grown by approximately \$9 billion since 1970. That has resulted in a loss of at least 350,000 jobs in this country over the past seven years. That was as a result of the trade imbalance, the American DISC program, and the repercussions of an auto pact which benefits the United States more than us. Also we have been locked into an economy which goes back to the days of C. D. Howe: Canada is used as a resource hinterland. Our minerals are mined from the ground, our trees are cut down and our wheat is harvested. Then these raw materials are exported to other countries. As long as Canada is locked into that type of economic development, we export jobs at the same time as we export raw materials.