

Industrial Development

investors and will give us a competitive edge, as long as we make the best use of it.

The measures of the National Energy Program are designed to increase Canadian ownership and Canadian control. While we want to do this humanly, reasonably and responsibly, I do not think we need apologize for any of it.

Obviously the question of research and development is important, as is the entire question of supporting our high-technology industries which are the wave of the future. Telidon has been mentioned a number of times today and some of the measures the government has taken to assist Telidon, both domestically and internationally. For example, the Telidon service will be used in information programs of the Canadian government and in demonstration programs partially funded by the government. This type of demonstration, domestically, is important as a base for international sales, and we have seen recently one large international sale with the assistance of the Department of Industry, Trade and Commerce.

Among the best producers of jobs, perhaps now and in the future, are the small innovative high-technology businesses, the kinds which demonstrate evidence of entrepreneurship, while being small enough and local enough to use local labour and facilities. Our small business policy can assist organizations of this kind with loans and grants. Also the Foreign Investment Review Agency has a special policy for small businesses, which wish to invest in Canada, to reduce paperwork and to make simpler the process of approval or non-approval.

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Obviously the question of export assistance is extremely important. Our overseas officials are becoming more involved in this issue so that our Canadian businesses have sophisticated assistance to penetrate overseas markets.

The whole question of infrastructure is a very important part of industrial strategy. With our large country, when one talks of infrastructure one immediately thinks of transportation and communication.

The question of the use of government purchasing power to assist Canadian industries is one which I raised as long ago as 1977 in committee. Since 1977 we have seen a tremendous number of innovations in this area. For example, we have seen government purchasing power used to help domestic industries by specifying two or three examples of office furniture or typewriters so that the company could have a longer production line and make economies of scale. With this base some of these companies have then been able to expand into overseas sales. There are a number of ways in which government purchasing power, which is quite considerable, can be used to aggregate the market and provide a domestic base which then allows a company to do other things overseas.

On the domestic front, one severe and continuing problem is in interprovincial regulations which effectively prohibit free trade across Canada. The federal government raised this matter in constitutional talks with the provinces, since we cannot have a strong Canadian economy without a national

domestic market. We can only build a strong export trade from a unified domestic base. I am one of those who had hoped that in our Constitution we would have enshrined the principle of a common market across Canada. I am not without hope that, even if it is not enshrined in the Constitution, it will come into practice if we continue our negotiations.

When we do buy overseas, the area of industrial offsets is also one in which tremendous progress has been made. Ten years ago, if the government made a major purchase overseas, we did not seem to be able to organize an effective exchange, other than having some parts made here. But there has been a tremendous change since then. I was the parliamentary secretary to the minister of supply and services when the negotiations were ongoing about the offset program in relation to fighter aircraft. As recent announcements show, this is a much more sophisticated arrangement. In return for placing a large contract overseas, we receive, not a simple contract for making parts, but a transfer of technology so that jobs can be created in Canada and remain in this country long after the ordered item has ceased to be useful.

Increasing Canadian ownership is basic to all these things and crucial to our development. Unless we have more control of our economy we will again be watching profits drain off to other countries. I say this not in any spirit of recommending wholesale nationalization or attacks on our partners—we want investment in Canada and we need it; we want friendly relations with our allies and neighbours. But we also want investment in Canada to benefit Canada and not only benefit multinational companies which have no particular commitment to Canada. When a multinational company shows itself to be a good corporate citizen, when it is willing to do research and development in Canada and create jobs, it must always be welcome. We must not be afraid to be firm with companies which do not show any commitment to Canada. We have a long tradition of being fair and reasonable in our negotiations. I know that will continue. I think to that fairness and reasonableness must be added increasing firmness to protect our resources and our jobs.

Mr. Bill Vankoughnet (Hastings-Frontenac-Lennox and Addington): Mr. Speaker, I welcome this opportunity to discuss various important topics concerning industry, trade and commerce. Among other things, the Department of Industry, Trade and Commerce has the overall responsibility to further the growth, productivity, employment opportunity and prosperity of the Canadian economy. In light of the present condition of the Canadian economy and after more than a decade under a Trudeau government, the minister has his work cut out for him.

Canada is one of the few countries in the world which has the potential for energy self-sufficiency. This is an enormous plus for any country, but the energy policy put forward by the present government seems to be doing much to harm the goal of energy self-sufficiency in Canada. Business needs a sensible, stable and long term energy plan so that it can better provide for the future.