

*Supply*

In science and technology this budget did not address the Mexican challenge, the challenge that Mexico is graduating four times as many engineers and scientists today than is Canada.

It did not address the issue of research and development. Since this government took office in 1984 that has actually declined and is now at 1.37 per cent of our Gross Domestic Product. It is falling and is less than half the level of that of our major world competitors.

Another area where we have to invest for the future today is in the 40 per cent of Canadians who lack the language or mathematical skills to cope in the modern work place.

Instead of this government's spending about .3 cents a day for every Canadian who is illiterate, .3 cents a day less than a dollar a year, we have to have a concerted investment program to reduce the rate of illiteracy in Canada to half of what it is today by the year 2000. As this budget did not touch on it, we have to deal with the fact that 38 per cent of Canadian high school students drop out before they get their education.

• (1030)

We have to link their plight to the need for better training programs and apprenticeship programs in partnership with industry. None of these fundamental defects in our current economic plight were dealt with in this budget and they have been ignored throughout the entire course of the government's rule.

Over the short term we could do many things to change the situation and get employment and growth growing. We call for a major infrastructure program where the federal, provincial and municipal governments each contribute \$1 billion a year for five years to deal with our necessary sewers, roads, bridges and environmental clean-ups that are so critical.

If this government could get the one million small and medium sized businesses the financing they need to get them over the hurdles that they face and if each of these businesses could hire just one more employee, we could reduce our unemployment by 500,000.

Why did the government not address our declining manufacturing productivity directly? Why did it not adopt our suggestions to bring forward a manufacturing productivity council that could give consulting services

without a bureaucracy and without cost to the public purse to our manufacturers?

Why has the government not adopted the Canadian Manufacturers' Association ISO 9000 program to work with our industry, to get quality standards introduced throughout Canadian businesses?

Why has it not done more to establish a primary industries enhancement council that would work with our primary producers to ensure that we had more value in jobs before our abundant natural resources are exported and create high value-added jobs abroad?

In short, what this country needs is a comprehensive economic strategy and unlike in the past our fiscal, monetary, science and technology, research and development, training, education and regulatory tax policies must all be judged on how they affect and contribute to our ability to compete.

Without such a comprehensive economic strategy we are doomed. We will never enjoy the fruits of expanded trade opportunities and this is why. Because of its failure to address the real issues confronting the future of Canada, this budget is in the words of the chief Whip, a disgrace.

**Hon. Lloyd Axworthy (Winnipeg South Centre):** Mr. Speaker, I want to follow on my colleague's opening presentation by first expressing my sympathy to the Minister of Finance.

He must feel in the very dregs of despair when his own protégé, the chief Whip of the government, somebody who he has nurtured in his political career, has now broken free from the fetters and has said in an echo that is raised by all Canadians, that the attempt of the Minister of Finance to once again fool Canadians is a disgrace.

I also sympathize with the Minister of Finance because at the very last gasp of the Tory years, he is being forced by his colleagues to engage in a dance of the seven veils to blow smoke, toot whistles, dance in gyrations to cover up the sorry record.

Unfortunately for the Minister of Finance, he cannot hide from the facts, facts that appear this morning in the report from Statistics Canada; not a think-tank which has been bought and paid for by the friends of the Tory party, but an objective analysis of what is happening in the economy.