

The Address—Mr. Fennell

turn can consider his concept. I believe it is very worth while, but it would be taking too much money out of the private sector.

I listened with interest to the Throne Speech, more particularly when I consider those who read it. I believe the person who read it would have agreed philosophically with the speech. We must consider that he was the ex-Premier of an NDP government in a province of Canada. It is rather appropriate that he should be the one who spoke at that time.

Also I point out that the entire Throne Speech is another example of the Liberal Government making promises, bringing out new programs, but never finishing anything it starts. I recall vividly—and it was brought to my attention last weekend—when Bruce Phillips read on CTV a paragraph from the previous Throne Speech which in essence indicated that the Government would never allow the increase in gasoline to go to 18 cents. Canadians will recall that. They are well aware that whatever was said this week has little or no meaning in fact. It is just another example of many broken promises.

I would like to commend the author of the Throne Speech, whoever wrote it, because he has made it so much easier for us to run in the next election. I found pitfalls throughout the whole document. There are no facts, absolutely none. It is a great idea without any plan to follow. Having been here four and a half years, I know we have not accomplished 10 per cent of what was promised in the Throne Speech. However, I want to address specifically the lack of initiative and incentive for the industrial sector of Canada. We in Canada have been operating with an interventionist, socialist policy. There are no specific incentives in the Throne Speech for industry. The private sector is tired of change. It needs consistency, something it can live with day in and day out. The private sector cannot exist with tax changes in the system every year. It cannot plan for the next year. In addition, we have fallen far behind in productivity because there has not been consistency in policy.

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All that comes out of the Throne Speech is conflict with the private sector and interventionism. Thinking that the Government is better able to pick winners and losers is false. The sooner we get away from that, the better it will be. An interesting comment in the Throne Speech is that for the small business sector, that sector which employs 66 per cent of Canadians, there will be a "buy-Canadian" program developed. Two weeks before the Throne Speech, a Minister who sits in the other place said that Canadians must start buying Russian products. There is a total conflict between the Prime Minister (Mr. Trudeau) and his ministers.

One program being brought forward is a rehash, other than \$269 million of new money. As the Hon. Member for Provencher (Mr. Epp) mentioned, they seem to have these \$200 million photo opportunities from time to time and there is another one in the Throne Speech.

The \$1 billion youth program is commendable, but only if you depend on partial or band-aid solutions. It does not solve

the problem for the youth of this country and does not create long-term jobs for them. It will provide the youth with some skills and experience, but after six months there will not be one job for those people. They will have to return to unemployment insurance.

We must develop long-term programs for our youth. The only people who can do that are those in the private sector. We have a bureaucracy that creates jobs according to Parkinson's law, but that is not productive. The Government is unaware that we have machinery to get in place. The faster, more effectively and efficiently that machinery operates, the sooner this country will be able to afford the social programs now in place. We require total industrial renewal, stimulation of research and development and higher productivity. We are probably the only country in the world whose productivity has dropped by 4 per cent since the last election.

While every other country has moved ahead, Canada has fallen behind. That is because we are too concerned about esoteric issues rather than paying attention to economic issues. Until we get our industry operating efficiently and creating wealth, we will not have job creation. There is nothing positive in the entire Throne Speech to assist the private sector in creating jobs and thereby wealth which will in turn create additional jobs.

The Throne Speech touches on trading corporations, for international trade. That is extremely commendable. However, unless we deal with productivity, the trading corporations will not have anything to sell. We must identify trading corporations. Certain industries have survived the depression, and I call it a depression because it has gone beyond a recession. In addition to developing trading corporations, we must develop higher productivity.

Part of the problem is that the Government has only increased research and development expenditure from 1.2 per cent to 1.3 per cent of GNP. In the same period, Japan increased its research and development expenditure from 1.83 per cent to 2.23 per cent. I should point out that the Government of Japan contributes far less to research and development than the private sector. Interventionist policies for research and development have not worked in Canada. The private sector has the initiative to develop new products and better ways of producing them. Recognition of that is totally lacking in the Throne Speech.

We then get into the wonderful, generalized discussion of the world product mandate. As we know, that deals with multinationals to a great extent. If the tax incentive is there, the multinationals will take advantage of wherever the incentives is greatest. This has been proven internationally for many years.

A prime example of a very successful Canadian multinational is Northern Telecom. It does not want grants and aid. It wants stability. It can then produce a world product. When it moved to the United States three or four years ago, there was severe criticism about its heavy investment there. It had to get out of Canada and go where there was stability to develop