

impression that these programs were developed in co-operation with the provinces, and in co-operation and after consultation with labour and industry. The minister might believe that, but it is not true. If he talks to labour people—unions representing steelworkers in Sept-Îles and Schefferville appeared before a parliamentary committee—he will learn that the IRAP is not working, despite what he says. I say to the minister that all these programs were developed unilaterally by the minister and his department, as has always been the case since that department was formed. There have been no real consultations or discussions with labour, management or the provinces. That is why the new programs he has announced will be failures, just as were earlier programs developed by his department under him or other ministers in the bureaucratic, centralist way they always operate.

We cannot isolate this country from the world. The world is in an economic slowdown. The world is suffering in a recession. We cannot isolate ourselves from that. But there is no reason why the people of this country should suffer more than the people of almost every other industrialized country in the world.

The hon. member for Rosedale (Mr. Crombie) pointed out that the standard of living in Canada, which used to be the third highest in the world, has dropped to thirteenth. It has dropped because we have not developed the resources we have. It has dropped because we have adopted the wrong kinds of economic and fiscal policies. As the premiers have indicated, we need a lower interest rate policy. We need a Canadian interest rate policy. Again I say that the Governor of the Bank of Canada is dead wrong, but even if a Canadian interest rate policy means that the Canadian dollar will drop a couple of cents in relation to the American dollar, and even if it means we have to put some controls on the movement of capital, we need a government which is really prepared to play an activist role. We need a government which is prepared to sit down with industry, labour and the provinces and plan the things we need to do to get this country moving again.

Surely even this government, as remiss as it has been, must realize that there are no shortages of tasks which need to be done and can be done. We have the necessary manpower and raw materials to do the things which need to be done. It is obvious that our transportation system is not able to move enough of the grain, potash and minerals we could sell. We need a major restructuring of our rail system. What did we hear today? The CNR has announced the lay-off of 1,800 people in the very near future. What could be more stupid than that? When we need to modernize our rail system and, therefore, to hire more people to do this work, the CNR is laying off 1,800 people. We need to plan to use our tremendous undeveloped energy resources such as oil, gas and hydro. In Quebec, Manitoba and British Columbia, just to mention three cases, there are tremendous hydro resources which could be harnessed and used to meet our energy needs rather than using oil and gas which, when depleted, are gone forever. The provinces cannot move in that direction at this time because they cannot afford it. These are examples of cases where the

Employment

federal government should be prepared to move in and co-operate financially with the provinces to get things going.

● (1620)

We require a major push to clean up the environment. I have seen figures which indicate that in countries such as Sweden the pulp and paper industries obtain 70 per cent of their energy from the waste products which our companies in most cases just dump into our rivers and lakes.

The Minister of Employment and Immigration knows that there are thousands of homes in Winnipeg, as there are in many other older cities, which are 100 or more years old and require major renovations, yet the construction industry is faced with perhaps a 20 per cent unemployment rate.

Canada has the worst record of any industrialized country in the western world in terms of our efforts and expenditures on scientific research and development. In the last year we allocated nine tenths of 1 per cent of the gross national product to research and development. Every other country in the western world, as well as Japan, spent anywhere from 1.5 per cent to 2.5 per cent of the gross national product on research and development. Therefore, it is not surprising that new products, processes and techniques are being developed in other countries and not in Canada. One major reason we spend so little money and put so little effort into research and development is that our major manufacturing industries are largely branch plants of multinational corporations. They are not interested in doing research in Canada, particularly in a time of recession. One cannot blame them for doing their research and development at their head offices which are usually located in the United States. What has the Liberal government done to encourage major corporations to conduct more research in Canada? Virtually nothing.

A couple of years ago we saw figures which indicated that the Ford Motor Company did several billion dollars worth of business in Canada but did not have a single Ph.D. graduate doing research work here. There must be a major increase in our effort if we are to turn around our manufacturing industries. The bulk of manufacturing in Canada is concentrated in Ontario and Quebec. Our manufacturing industries are losing 2,000 to 3,000 jobs per day. The Canadian Manufacturers' Association, certainly no radical organization, predicted that in the next short while another 100,000 jobs will be lost.

Mr. Nielsen: The figure is 175,000.

Mr. Orlikow: The report today indicated 175,000, but in a brief which it submitted several weeks ago the figure was 100,000. Whichever figure one uses, it indicates a disaster in the coming months. Everyone in the country, whether involved in labour, industry or the educational system, with the exception of hon. members on the government side of the House, knows that the country is in deep trouble. Instead of facing up to the trouble, rethinking what it has done and realizing that most of what the government has done in recent years has failed, we hear the type of direction suggested today by the Minister of Employment and Immigration.