

Supply

Let us put the horse before the cart. Let us get rid of internal trade barriers. Let us get our construction, our manufacturing, our capital resources, our people working together, and let us let the marketplace pick the winners and then compete worldwide. I submit that if we take that kind of approach we will be winners the world over because we can compete without government help, without government subsidy in any market in the world.

[*Translation*]

Mr. Benoît Tremblay (Rosemont): Mr. Speaker, I hope one day people like the hon. member for Calgary Centre will give up their ideological vision and understand the real economic situation in Canada and other countries.

The hon. member said that the military sector is fundamentally a high-tech industry, and we know full well that it will become less and less important in the years to come in North America, and even more so in the United States than here, in Canada. We should not forget that the American companies are our main competitors.

For many, many years, most of the federal research and development subsidies went to defence industries, in areas like telecommunications, development of new products or aeronautics. Governments used a good deal of their research and development subsidies for military purposes, because they wanted the armed forces to be in the vanguard of progress in aviation and telecommunications. Also, the development of new products was always crucial to the other two sectors. That is why the United States have a competitive edge in these sectors, where research and development is concerned. Now, of course, we must seek new ways of doing things. We are indeed in favour of the reduction in military production, but at the same time we must ensure that all of the research and the discoveries that can serve civilian purposes are not abandoned simply because some of these businesses go bankrupt tomorrow morning, after the government decides all of a sudden to cancel major contracts, like it just did with the helicopter deal.

• (1350)

For our country to be competitive at the international level, we need more than rhetoric; we cannot only tell the government never to interfere. We have to take into account the source of our competitiveness. Obviously, for years, the defence industry has been one of the main sources of our competitiveness in the non-military sector. The Americans set up a program for the conversion of defence industries to civilian production. They also developed alternative national strategies in areas like R and D, telecommunications, development of new products and aeronautics. They now have alternative strategies to replace the defence industry as instrument of R and D.

The Bloc Québécois is only suggesting today that the government give us precisely what our competitors are getting. We can talk about being competitive at the international level and revel in rhetoric, but 80 per cent of our business, especially in the industrial sector, is with the United States. Thus, we need the tools, we need a transition process to maintain our competitiveness.

As you said it yourself, these businesses have already decided to go for the civilian market. We just have to get things moving toward conversion from defence to civilian production, since we must cut substantially our military spendings to reduce the government's budget and deficit. And this must be achieved without ever losing our competitiveness in the high tech sector. That sums up the precise and straightforward position of the Bloc Québécois.

[*English*]

Mr. McClelland: Mr. Speaker, I respect my hon. colleague's opinion and I share some of the opinions he just put forward.

However there is a contradiction. I recall in my presentation saying that if there was an epiphenomenal moment in Canada where we said goodbye to high tech it was when we said goodbye to the Avro Arrow 35 years or so ago. We were world leaders and we said goodbye to it. Ever since that time we have relied on offshore industries for our high tech aircraft or high tech defence materiel. The nucleus, the germ of it comes from offshore. I agree 100 per cent.

Therefore, if I agree with that and the contention that my hon. colleague brought forward, he must also agree that if we are getting that high tech initiative offshore we cannot also be getting it onshore. We cannot depend on both. The defence industry has been a high tech driver in Canada. Of that there is no question.

We look at the satellites and Canadarm and those kinds of things. They could be considered defence and defence oriented, but those things are not going to come to an end. We are still going to have satellites going up. We should all say a prayer for Anik E2 up there somewhere. God knows what it is doing. However, the whole high tech industry is not going to dry up and go away.

We need the vision of the people who are the shareholders of those companies that were in that business. That is what their job is. The job of the directors of those companies is to anticipate, to see where they should be putting their energies in the future. Perhaps it is in the environment. Perhaps it is in extracting minerals from difficult places.

• (1355)

My point is that it is not the role of government to decide what that initiative should be. It should be the role of industry and the owners of industry. They will do a far better job than we will. When we went through our orientation, no one said all of a