

year. They are interested in a growing economy, an expanding economy which will produce jobs so there will be a place where they can go to obtain a job with a future, security and opportunities for advancement. They want a worth-while form of employment rather than a make-work project. But this government continually falls back on these make-work projects because it has not created the climate for business and enterprise in this country. Indeed, the businesses and enterprises which might have expanded have postponed their expansion until the climate improves. As I have indicated, one can talk to many businessmen or people in the financial sector who will indicate that many businesses have decided to carry on their expansion outside Canada, perhaps in the United States, in the Caribbean, in Malaysia or in Ireland where there are tax-free zones. They certainly are not doing it here.

If we are to prosper and retain a high standard of living, Canada needs a manufacturing industry with high technology which is competitive in the world. What do we have? We have a government which would wipe out one of the only important programs we have, the Industrial Research and Development Incentives Act. We read comments in the press to the effect that Canada is stumbling along without a science policy, that Canada's science policy is headed for disaster and that the government has only played with a science policy. A former Liberal member in this House, now Senator Maurice Lamontagne, headed a royal commission in respect of a science policy for Canada. Yet this government is not doing anything about this.

At that time the minister indicated that he believed Canada needed an investment in science and technology. The Senate Special Committee on Science Policy, under the chairmanship of Senator Maurice Lamontagne, made an exhaustive study of Canada's research and development efforts with respect to this country's economic needs and issued a three-volume report entitled "A Science Policy for Canada". The third volume recommended that Canada should steadily increase its support of research and development, such as through the Industrial Research and Development Incentives Act, I may suggest.

As I was saying, the third volume recommended that Canada should steadily increase its support of research and development and achieve by 1980—only 3½ years from now—2.5 per cent of our gross national product. It indicated that a corresponding increase should have been made for support of basic research, scientific research in our universities and other research institutions. A recent Statistics Canada survey of leading performers shows that the in-house research and development expenditures, as a percentage of the gross national product, declined in terms of current dollars to about .37 per cent in 1973 from .44 per cent in 1967.

Although the government set up the Senate Special Committee on Science Policy under Liberal Senator Maurice Lamontagne, a former cabinet minister in the Pearson days, to look at a science policy, as recently as 1973 our contribution has been declining to a point where it is .37 per cent of the gross national product. Again may I suggest that .37 per cent is a long way from the figure of 2.5 per cent which, as has been

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indicated, is what we need if we are to be a technologically-based industrial nation.

Because we do not have our manufacturing on a proper base, Canada ends up selling more resources. We say we will mine a little more of our natural resources and send them abroad in the unprocessed form. We say that we will cut more of the trees in our forests and send them abroad in the unprocessed state. We say that we will take whatever we can for our wheat crops and send them abroad. This country has not advanced in the way of becoming a nation truly based on an industrial technology. Instead, the government takes the retrograde step of cutting out one of the acts which is most beneficial.

Earlier I heard the parliamentary secretary from Fort William indicate that this bill is a step toward cutting out excess government expenditures, that it is a restraint measure. He said that no one has suggested ways in which the government could cut down on its spending. Of course, I was so bold as to interrupt him at that point and suggest that perhaps the government could cut down its spending by disallowing the Minister of Transport (Mr. Lang) to spend \$750,000 flying around in his private jet. He did not like that. I doubt that the head of any other corporation in this country spends so much money on his personal travel habits.

On many occasions members of this party have pointed out that we do not believe the government needs to spend \$1 billion a year on consultants. Why does the government hire consultants all the time? Is it because the expertise is not available in the public service? Of course not. Our public service is filled with competent, able people who want to do a good job. They have the competence to analyse and to make studies and projections in respect of projects which are to go ahead; but instead the government goes outside and hires private consultants in the belief that in that way it can get off the hook. If the government follows the recommendations of the consultants, and the advice should turn out to be bad, then it can say that it followed the advice of the private consultants.

The fact is that the government is spending the money twice, because it already has the expertise. We do not think Canada needs to spend \$1 billion a year on outside consultants when we have competent civil servants who want to do a good, thorough job. The minister mentioned Petro-Can. I believe our party advised the government that it did not need to spend money setting up its own private Crown corporation. We felt that the private sector could perhaps do a better job than Petro-Can.

● (1650)

Of course, the minister talked about PanArctic. He felt that Canadians had a good investment in PanArctic but, again, it required the government to put out money. It also required the government to put out a great deal of money to set up the Canadian Development Corporation. Perhaps the government should reassess its priorities rather than delving into the private sector. Perhaps the government should spend its money on running the affairs of the country rather than dabbling in