

This is the kind of problem we are facing. The Minister, in his speech today, did not come to grips with it at all. He did not once mention the question of foreign control.

Clause 15(2) of this Bill deals with the provision of loan guarantees, stock options and other ways that the Government might intervene to assist certain Canadian firms. I did not hear once from the Minister about his philosophy how he expects and wants Canadian firms to play a role of partnership with Government.

On this side of the House, we have very big concerns about straight grants, straight loan guarantees or straight loans to private sector firms. These loans or grants put the Government in a no-win situation. If the companies are successful, the Government does not get its money back. If the companies fail, the Government's money is gone forever. If we are to have a strong partnership between Government and the private sector, we believe that the Government should consider very closely the use of stocks and shares or stock options. If the companies do not work out, the Government stands as a secured creditor with other creditors. However, if the partnerships do work effectively, all Canadians can benefit by the increased value of the shares. In other words, the Government can make a profit. It will have more funds to re-invest in other Canadian enterprises.

We have seen a tremendous preoccupation on the part of government Members with cutting the deficit. They have been born again. This is the Government that talked about the deficit in 1984 and which, in its four short years in office, doubled our national debt. Now it has a tremendous fixation with the concept of a quick fix for the deficit problems. It even has a Minister responsible for privatization.

Again, we do not see this being put forward as part of the Government's national strategy for promoting Canada's economy by the Minister. It falls into the hands of another Minister. We want to put the Government on notice that there might be some good Canadian companies it intends to privatize which are producing at good profit levels.

Let us suppose that the Government sells off a good Canadian Crown corporation for \$100 million. Let us suppose that the Government uses all that money to reduce the deficit. What the Government is saving is the interest rate at say 10 per cent on \$100 million. If the company that was sold was producing income levels of more than 10 per cent and, in addition, was paying income tax or other taxes of any sort, then Canadians

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would be the net losers. We want the Government to take a very business-like and pragmatic approach to how it deals with these assets, and we also want the Government to look at whether or not the assets have an ongoing role in Canada's public policy.

In conclusion, the Minister's speech contained very little with which we could disagree. It contained a lot of pious declarations about the need for a strong economy for Canadian firms to be competitive. It is not with these sentiments that we disagree. We disagree with the hypocrisy the Government has displayed in taking concrete action to support these pious words.

We have heard the Prime Minister's declarations in the past regarding research and development. We heard how it was so important to our future. Yet, in his four years of Government, it has decreased. We have heard pious declarations about ensuring that Canada's economic regions that are less favoured than others are given fair opportunities. Now we see an incredible cut-back in funding to those regions. We have heard the Government's commitment to keeping jobs in Canada for Canadians. Yet under the Free Trade Agreement, at least 5,000 have been lost in the last couple of months. No programs have been put in place. There have been no consultations with these firms to help see what could be done. There has been no examination by the Government of what might possibly be done with companies such as Inglis, working to ensure its production in Canada on an on-going basis.

The Minister spoke about his Government's role in providing an infrastructure for Canadian businesses and for Canadian economic opportunities. He talked about transportation. Again, the Government's actions do not meet its words. The Government is closing down VIA Rail, and in June it will be closing down Air Canada's flights into Stephenville, Newfoundland.

• (1230)

We heard the Minister's pious declarations about how the Government is going to work to ensure that there are generous tax policies in the Budget that will assure there will be research and development here in Canada. This Government cut the funding and tax incentives for research and development. The Government was criticized by its own commissioner, Mr. de Grandpré, who stated that in terms of government support for R and D we are at an all-time low, and at a comparative disadvantage with every other industrialized country in the world. We in Canada are going backwards. The performance does not live up to the rhetoric.