

*Restraint of Government Expenditures*

that the government is announcing it is going to wipe out the Industrial Research and Development Incentives Act, and this after the Minister of Finance has stated that the way to increase industrial productivity is to encourage the development of high technology and innovative new processes. So it seems that the government are speaking out of both sides of their mouth at the same time. I say clause 10 is a very retrograde step.

It strikes me that over the last nine years many industries in this country, especially those involved in the technological area of computers and new electronic hardware which is so commonly used, have taken advantage of this kind of government support to improve their products and to make themselves more competitive in markets throughout Canada and overseas. We have heard that the government is going to replace the Industrial Research and Development Incentives Act with some other new legislation. But what, Mr. Speaker? The government has not had the guts to tell the House with what they are going to replace this legislation. The government is so secretive that it does not want to tell the Canadian people how it is going to increase technology, research and development in this country by some new legislation or through some new proposals. By passing this bill the government wants us to wipe out the existing support that is provided, and leave us in the dark as to what new programs it has in this very important area.

Is this because the government is in the habit of being so secretive about all its programs? Is this because the government really does not have a program with which to replace the Industrial Research and Development Incentives Act? Or is the program such that the government is afraid to let the Canadian people scrutinize it to see whether it is as good as the one the government wants to do away with? I believe the government is afraid of scrutiny. Perhaps it is going to wait until the next budget or till some other time when it will try to introduce a program and have it shoved through parliament in short order without thorough examination. That program may not be as beneficial to Canadian industry and to the Canadian economy as the present program.

At the present time we are approaching an unemployment level in Canada of 8 per cent, and will probably be at this level next May. We have this level because industry is not producing at capacity or anything like capacity, and because the economy is on a downturn. I would say that both of these unfortunate situations are to a large extent the result of the ineptitude of the present government in handling the economy by putting the country first rather than wanting to do the best for all its citizens.

Instead, Mr. Speaker, the government has from time to time taken a rather partisan view and has put the Liberal party before the country. They have taken a number of politically expedient steps, such as swallowing themselves on the anti-inflation measures when only a year before they had been saying they would not want to freeze prices at high levels and freeze wages at low levels. They said the leader of the Con-

[Mr. Dick.]

servative party had advocated this during the campaign, and that they had counter-attacked.

During the 1974 campaign the Liberal party used the advertising gimmick of showing a picture of the hon. member for Halifax (Mr. Stanfield) pushing an ice cream cooler around and saying, "They are going to freeze your wages at a low level, and zap!". That is the kind of "intelligent" comment that the Prime Minister uses all the time. Perhaps this is what happens with governments which are corrupt, which are bungling and which are feeding upon themselves for their own political purposes. Then, finally, the populace wakes up and throws them out for whatever alternative is available, in the hope that they will get truthful and open government.

As I say, Mr. Speaker, the government had to swallow itself. Having denounced one program, a year later it introduced that which was denounced. This government is afraid to come clean with the Canadian people as to where it intends to go. This government has created a climate in which business and free enterprise are not willing to expand. This government has created a climate in which people are not investing in the expansion of existing facilities or in new facilities. People in Canada and outside Canada who might be interested in investing in this country are reluctant to expand the manufacturing capacity of the Canadian economy.

Instead, Mr. Speaker, more and more we are finding manufacturing concerns which might have expanded in Canada going south of the border or to other countries where the economic environment is better for them. Indeed, it appears that a subsidiary of Northern Telecom, a company that used to be called Bell Northern and which is 66 per cent owned by Bell Canada, the mother of all Canadian telecommunications firms and which we liked to think of as "Mother Bell", a great Canadian enterprise, is opening a plant in California which will employ 12,000 people. Why is it that those jobs are not here in Canada? We have many more Northern Telecom plants in Canada, but this new facility is going to California, their having phased-out their microsystems plant in this country.

It seems, Mr. Speaker, the reason is that they cannot get the productivity they require. They cannot have the wage rates that are necessary in this country to be competitive in world markets, and the environment, created largely by this government, has not been of a sufficiently strong nature to encourage business. I believe that business and manufacturing are important to this country. If Canada is to grow and to prosper, we will need jobs so our people can be employed. Canada cannot afford 8 per cent unemployment. Canada cannot afford to have a situation where 46.7 per cent of the 780,000 people who are unemployed today are the youth of this country between the ages of 16 and 24. They represent almost 50 per cent of the unemployed people in this country.

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The youth with whom I have spoken are not interested in grants such as through the LIP program, OFY or the suggestion that they be quiet this year and see what will be done next