

because it will be charged with the task, among others, of making Canada strong economically.

There are many aspects to creating a strong economic environment here in Canada that we on this side of the House have put forward for consideration. The first of these concerns human resources. If the Canadian worker is not among the most competitive in the world, then our economy cannot be strong.

What are the problems we face? First, fully five million Canadians are functionally illiterate. We have seen coming from the Government no programs to deal with this functional illiteracy. If people cannot read then how will they be able to learn new jobs? How will they be able to read manuals in order that they can see how machines will function and how computers will work? How can they educate themselves in a world that is rapidly changing in terms of the way we produce goods?

Even more disturbing, we have seen among those who are literate in Canada for every year over the past four that there has been a declining number of students who have gone into the sciences and engineering. We have few engineers and scientists compared to our major competitors in the world such as Japan. We have far more lawyers than we do engineers and scientists. That may be a statement about our society.

What has the Government done about creating more opportunities for students to study science and engineering?

**Mr. Milliken:** Nothing.

**Mr. Peterson:** My colleague says: "Nothing". I disagree with him. The Government has done something. It has actually cut back in the funding that is available for scholarships, programs and research—all the things that are necessary to create these highly educated students who will be critical to determining whether our businesses and our industries can compete.

For example, just last year there was a major decline in the number of fellowships that were granted by NSERC, the funding council for science and engineering graduates.

We on this side of the House have been stressing something else as well in order to be competitive and to have high levels of research and development. Studies

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carried out in the United States show that fully 70 per cent of its growth since the Second World War has been attributed directly to innovation, new technologies, discoveries that people have made and the new products that have been brought on the market for sale around the world. This has been the result of a high level of funding for research and development.

What do we see in Canada? What is the record of this Government? In the last four years under the Tory administration the National Research Council has had its budget cut by \$20 million—\$20 million actual dollars, which does not take into account inflation factors. The Government has cut its share of expenditures on research and development in Canada from 37 per cent to 30 per cent. The Government has cut its funding of industrial research and development to a point where the United States Government is now at a level that is twice as high as the level here in Canada.

How are we going to compete if we do not have the latest in technologies, if we do not have the bright people coming through our universities, technical schools and community colleges, people who are skilled in new ways of doing business, in the information technologies, robotics and the new biosciences? We will not be able to compete. We will be dependent on foreign countries which are investing in those areas. We will have to buy this technology and know-how from them if we hope to keep any jobs here. We will be dependent on foreigners for our future economic growth.

The Prime Minister (Mr. Mulroney) has responded to our accusations of underfunding and a lack of commitment here. The Prime Minister and the Minister responsible for industry, science and technology have told Canadians that the Government cannot do it all. We have never asked that the Government do it all. All we have asked is that the Government do its fair share so that Canadians can have a level playing field when we have to go into international markets and when it comes to creating jobs in Canada for the future. We do not think that our young people should be handicapped because the Government is not prepared to do as much as other Governments in the world are prepared to do in terms of creating the technological base and the research and development which is critical for us.