

agricultural departments across the country as well as those in Ottawa. He did a very fine job in helping me to understand the research that is going on in Agriculture Canada. I understand very few members have taken advantage of this opportunity, which is a shame since so much is talked about agricultural research and development. I think few have had a first-hand opportunity to learn what is going on in Canada.

I support in general the motion put by the Leader of the Opposition (Mr. Clark) this afternoon. There is no question that we have far from succeeded in the task of tackling industrial research and development in this country. I would differ with the Leader of the Opposition only in the details and strategy to pursue this goal. I agree with most of the speakers who have spoken today, with the exception of the extremely partisan and irresponsible comments made by the hon. member for Athabasca (Mr. Yewchuk) as well as the recommendation from the hon. member for Calgary Centre (Mr. Andre) to abolish the Ministry of State for Science and Technology. The news release of the Minister of State for Science and Technology (Mr. Buchanan) on the estimates was an effort to try and elucidate exactly what was going on. Great care was taken to make sure the data were accurate. It is totally irresponsible to accuse the minister of being dishonest in his representation. If the hon. member for Athabasca would check to find out how those figures were arrived at I suggest he would see they are quite validly prepared and he may find that some of the assumptions he is making are erroneous, not those of the minister.

The suggestion made by the hon. member for Calgary Centre to abolish the Ministry of State for Science and Technology will not accomplish anything. The work that the Ministry of State for Science and Technology is doing is essential. The only question is where is that work to be done. Should it be done by a department or a ministry of state that is separate from the rest of the government branches, or should it be done in conjunction with one of the other departments, such as the Treasury Board secretariat or other policy areas of the government, including the Ministry of Finance which is also a policy setting department of the government? The work which is being done is valuable and necessary. It would have to be done in any event whether or not MOSST is abolished. His comments are extremely spurious and only politically motivated.

My main comments today will be directed toward industrial research and development. The major factor here is the make-up of industry in Canada.

● (2152)

I would like to quote some information from a Statistics Canada study that shows the degree of foreign ownership in this country. It was released just last month. Of almost 30,000 companies engaged in manufacturing, mining and forestry operations, essentially the business sector of our economy, 100 account for 46 per cent of business activity, almost half. Of that 100, 66 are foreign controlled.

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Going through the top 1,000 companies of those 30,000, which represents roughly 3 per cent of the number of companies in the country, 57 per cent, or 572, are foreign controlled. These represent over one third of the companies of the top 1,000.

We only have a small percentage of the total number of companies in Canada, foreign owned and controlled, 5.5 per cent or 1,626 of the 29,812 companies. They are mostly concentrated in the top 1,000 and have a tremendous effect on the economy. It is therefore relatively easy to see from that that we need a different policy to deal with this sector of the economy as opposed to the balance of industry which is largely Canadian owned and controlled.

As mentioned during the debate today, there is a different motivation for the foreign based multinationals to do research and development in this country. There is absolutely no incentive for them to do it here. In many cases there are incentives not to do research and development in Canada but in the parent's country.

I have outlined many times some of the disincentives to do research and development in this country and some of the areas the Canadian government should tackle to reduce the level outside this country which we have to pay for in using the results of research and development done outside of Canada. To be positive and constructive as to how to tackle the situation, I suggest there be joint efforts with the foreign based multinational companies involved in the top 1,000 companies. This would mean about 500 companies. Discussions should be held with them to make sure they are fully aware of the situation in Canada. They should know it is not acceptable to have this very low level of industrial research and development conducted in Canada, this low level being concentrated in the foreign based multinationals.

We should try and agree on a fair rationale whereby industrial research and development is increased in Canada. Certainly the best way is the example of companies like General Electric or Pratt & Whitney, whereby the Canadian operations are made responsible for a product line worldwide and research and development for that product line. That is a very responsible attitude, one I would like to see encouraged.

The attitude of the three major automobile companies, Ford, General Motors and Chrysler, is totally unacceptable. They do absolutely no research and development in this country, yet the Canadian market represents 10 per cent of the North American market. It is justifiable in our case to have 10 per cent of the research and development of those three companies done in this country. Work is done primarily in the Detroit region. The environment in Windsor is no different from the environment in Detroit. Therefore, this could easily be accomplished without any loss of communications or other problems that may be raised as reasons why this should not be done.

It is irresponsible for the big three auto makers not to show their concern for fair practice in Canada as far as research and development is concerned. I admonish the Department of Industry, Trade and Commerce to tackle this problem serious-