

I think it is important that, during these times when we are under a great deal of pressure, we reduce the deficit and cutback on government spending. Let us not blindly cut back on government spending for the sake of cutting back. Rather, let us look and see where we can invest in the future of this country.

When a businessman invests his money, it is not called spending, it is called investing. When hon. members purchase a home they are not spending money, they are investing their money. They are investing in the future for themselves and their families. I ask the government to consider what we would advocate on this side of the House, namely, serious strategies, serious plans which would result in a productive Canada and in real jobs rather than artificial job-creation programs which we too often see—the “blips” and “flips” and so on, which again create an illusion of jobs and prosperity but nothing in reality.

What are some of these investments which we on this side of the House would like to see the government consider seriously? One, of course, which is required in a country like ours, with a society like ours living in the competitive world as we do, is research and development. University presidents across the country, principals of trade, vocational and technical schools and the school system per se are saying the same thing; we should invest in the future of this country. One of the ways to invest in the future is to provide more money, more support and more encouragement for research and development for both the private and public sector.

What frightens us is when we hear from reliable sources that the cabinet is not considering spending for the development of Canada but is actually considering cutting back. There is a cutback of \$1.5 billion in the field of post-secondary education. If that would not be a backward step, I am sure none of us would be able to identify one. I guess we are confident that sane heads will prevail in Canada, that no cutbacks will occur and perhaps more money can be spent in the field of research and development to assist our institutions and businesses across the country to expand and explore new ways and means of making Canada better.

It is a sorry sight when we look at our track record up to this point. The goal is an admirable goal, to shoot for a 1.5 per cent of the GNP for research and development. That is honourable and respectable and I hope we can see that very soon. Now we are hearing cautionary remarks that this might not be attainable before 1985. That is a long way off in many respects. We are also considering cutbacks in the field, and this is not the kind of encouragement the scientific and technical communities of Canada want to hear. The problem regarding this entire matter is that if the government was to make a commitment today to spend an additional half a billion dollars on research and development we would not begin to receive the results of that for a number of years. If that decision is made today it will take five or six years before we begin to see the benefits of that investment. This makes it clear that haste is in order and that an early decision and an early commitment is in order. I suppose it is the difference between planting small seedlings

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for an orchard and collecting the fruit seven years later or seeding a crop of potatoes and collecting the crop a few months later. When we speak of research and development we are talking about sometime in the future. Therefore, the earlier the decision the better.

We could speak of and identify a whole variety of ways for investing in Canada's future. The kind of components we would like to see built into an industrial strategy as a blueprint for Canada's economic future and some guidelines and some parameters, electrification for Canadian railroads. Surely if there is a country in the world which should be utilizing its hydroelectric potential to the utmost, it has to be ours. A similar country in geography and in size is the Soviet Union. The U.S.S.R. surely has taken advantage of its edge in this energy field and has now begun and is well into a vast program of electrifying its railroad system. The cheapest kind of power and the most efficient way to move goods is surely the kind of thing Canada needs at this point as well.

Then there is the whole matter of small business. I know the hon. minister opposite is serious about Canadian small business, but he does not seem to act very quickly or to take the necessary steps to show the Canadian small business community that he is serious.

**An hon. Member:** What about the bond?

**Mr. Riis:** Yes, indeed that is one small step for small business. Indeed, there is a study being undertaken now to examine financial possibilities for the Canadian business community. The motivation, as always, is positive and good. The study has been underway for a number of months and presumably will continue for some months. It will then come back for analysis and study, and then presentation to the House. Therefore, we are looking at many, many months down the road before anything can possibly come from that. However, I recognize and admit that it is a step in the right direction. That is why I listened with some horror. Perhaps “horror” is too strong a term for colleagues to my right. They refer to the need for government to extract itself from the business and financial world and to let the private sector do it on its own.

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They are quick to point out where problems exist. Problems do exist; one would be silly not to admit that, but let us look at some of the most progressive countries in the world and at their economic systems. One of the most successful countries is Japan. Are my friends to my right, the Tories, prepared to say that the government of Japan has a hands-off approach regarding business in that country? Of course not; there is a relationship and a liaison between those two sectors which is extremely sophisticated. Business in Japan does not move without the recognition, concurrence, support and co-operation of government. Japan is not a socialist country by any stretch of the imagination, but it is an example of a sound economy. The private and public sectors work co-operatively in the best interests of the Japanese and Japan.