*Industry, Science and Technology*

**Mr. Jim Peterson (Willowdale):** Mr. Speaker, perhaps I could point out an important distinction. Canada has trade Bills with various countries designed to remove trade barriers and facilitate them. In the case of one trade Bill that we have, it opens up Canada to everything that the Americans want to do here.

The Bill presently brought before us does not deal with trade. It is a convention or an agreement dealing with the elimination of double taxation between our two countries. This Bill follows the OECD model. It is one of a significant number of agreements that have been entered into by Canada with other countries since the 1970s in an attempt to ensure that when business is done, double taxation does not apply.

It sets out in very clear rules which jurisdiction is entitled to tax the income arising from particular transactions.

**Ms. Audrey McLaughlin (Yukon):** Mr. Speaker, I agree with the previous speaker that the Bill is intended to implement tax conventions between Canada, Luxembourg, Poland, and Papua New Guinea. As the previous speaker stated, it is a standard Bill of which there have been others like it. In our opinion, it will benefit those taxpayers who are perhaps operating a business in more than one jurisdiction.

We must do everything we can to ensure that there is not double taxation for our citizens, and therefore we support this Bill.

**The Acting Speaker (Mr. Paproski):** Is the House ready for the question?

**Some Hon. Members:** Question.

**The Acting Speaker (Mr. Paproski):** Is it the pleasure of the House to adopt the motion?

**Some Hon. Members:** Agreed.

Motion agreed to, Bill read the second time and referred to a legislative committee.

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## INDUSTRY, SCIENCE AND TECHNOLOGY

### MEASURE TO ENACT

**Hon. Benoît Bouchard (for the Prime Minister)** moved that Bill C–3, an Act to establish the Department of Industry, Science and Technology, to repeal the Department of Regional Industrial Expansion Act and to make consequential amendments to other Acts, be read the third time and passed.

**Mr. Albert Cooper (Parliamentary Secretary to Government House Leader):** Mr. Speaker, I do not feel that there is any need for me to go into great detail about Bill C–3. We have looked at it on more than one occasion in the House. A fair amount of time was spent on it the other night at report stage.

It is an important Bill that will have a significant impact on research, science, technology, and those areas that are very important to Canadians.

I do not want to delay the Bill in any manner. I want to give an opportunity to opposition Members to make a few comments, and the Bill can proceed to third reading.

**Mr. Jim Peterson (Willowdale):** Mr. Speaker, Canada is facing very difficult times ahead in terms of our productivity and in terms of our ability to compete in the world markets.

All of the indicators by reputable national organizations point out that although our productivity is increasing somewhat, it is increasing at a much slower rate than that of other countries in the world. For example, the Organization for Economic Co–operation and Development, in surveying its 22 member countries, has pointed out that those OECD countries have an average productivity increase of 1.6 per cent a year. Canada's productivity increase over the last four years has been at the rate of 0.9 per cent per year.

What does it mean if our productivity is declining compared to that of other countries? It means that our ability to sell goods in world markets will decline. It means that the goods that we produce in Canada will be less competitive; that we are going to be able to sell fewer of them. Ultimately this means two things for Canadians. First, we will have fewer high paying jobs here in Canada.

● (1540)

Second, it means that Canadians will have a declining standard of living. In terms of the economic programs of the Government, there can be no Bill that is more important than Bill C–3, a Bill to establish the Department of Industry, Science and Technology. I say that