Industrial Development

government giving its Belgian croix de guerre to our Minister of Energy for having retired their national debt while he added to ours.

Some hon. Members: Oh, oh!

Mr. Gilchrist: The last point the hon, member made was that the federal government could do nothing to help the educational aspects of science policy and that, of course, is a complete cop-out. I will get to that later.

There was an interesting article in the Ottawa Citizen today to which perhaps the hon. member will allow me to refer. Let me get to what I really wanted to talk about.

I have no difficulty in supporting my colleague, the hon. member for York-Peel (Mr. Stevens) in his motion condemning the government on its research, science and industrial policies. Nor would any concerned Canadian who has taken the time to look at the facts; absolute unassailable facts, Mr. Speaker, of the economic decline of this nation and the inept government of the past 13 years, to be specific. That is the time at which research spending levelled off. Up till then we were doing a pretty creditable job, when Mr. Trudeau came on the scene.

My problem in trying to support the motion is to find out which issues to talk about and which ones to leave alone, there is such a plethora. I could deal with the most serious consequence to the Canadian people, the loss of jobs about which we have talked at some length here today. I could talk about high unemployment and the relative high unemployment of this government in a year of office compared to only six months of the past government which virtually doubled the rate of job creation.

Another aspect of Liberal neglect and mixed up priority which could be discussed at great length is the second-class status given to the small Canadian-owned businesses by government which offers millions of dollars a day to giant corporations like Chrysler and Esso, but fails to recognize the needs of the small business community which does not have the clout or the votes, and I guess thereby does not get the gentle helping hand of this Liberal government. Even now, a year after taking over, the small business loan legislation brought forward by the Conservative government has not been passed by this government but which has finally and maybe reluctantly agreed to extend in order to help small business. Of course we would applaud that.

The motion of censure really mentions the innovative capacity of our industrial sector being starved due to lack of policy, and it mentions the trade deficit in manufactured goods and brings to our attention the surrender of our domestic markets to foreign competitors. Inasmuch as that is my main bailiwick as science and technology critic, I think I will deal mostly with those.

All of the things mentioned in the condemnation are true. The trade figures which were so proudly released earlier this week showing a \$7.9 billion surplus fail to tell the true story. Certainly the export figures are up, but they are off in

manufactured goods, the kind of export product which has created jobs for Canadians. They are down \$700 million, a deficit in total in manufactured goods of \$17.75 billion. That represents \$17.75 billion of foreign-produced goods bought in Canada more than we sold them, and that is the same number of dollars in lost Canadian jobs; jobs lost because of the blindness of Trudeau governments in the past 13 years which have failed the people of Canada whose trust they had. Those governments failed to invest the sums of money needed to develop the skills and technology which would have put Canada in the forefront of international trade. They failed to create real jobs in the goods-producing sector which would have earned foreign dollars. Instead, they have squandered the same number of dollars on LIP and FLIP, short-term artificial job-creation programs which are still continuing today but which will quickly vanish like Liberal campaign promises.

Do you think the government will ever come to its senses? Do you think it will ever listen to the concerted and unanimous voices of the science community, the academic community, the industrial community, all those people whose business it is to innovate, create, educate and develop the skills which produce the goods that pay for the jobs that raise the standard of living and develop the pride of accomplishment of a nation which has the resources, as my NDP friend said, and has the usable energy and the people with the intelligence to make this country great?

Do you think this government will ever listen to its own knowledgeable people like Dr. Larkin Kerwin, president of the National Research Council, who outlined a financial analysis of research projects completed by the National Research Council? Dr. Kerwin, like many other concerned scientists, knows that value of research in the creation of valuable, high technology jobs and in the generation of real wealth to the citizens and governments of Canada through the production of internationally competitive high-value exportable goods. He has described the benefits to Canada of modest investment in research returning three and fourfold the number of dollars in value, and in short order.

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According to Dr. Kerwin, who analysed the years 1973 to 1977, during that period the National Research Council had undertaken about 450 industrial projects with about 230 Canadian companies. Ninety-three million dollars was spent or invested by the council on these projects. The industries concerned experienced, in short order, profits of \$1.8 billion which, of course, were used largely to pay for Canadian jobs. They also paid out \$350 million in corporate taxes on that money, and this gave the Government of Canada a return of \$350 million within four years on an investment of \$93 million. It was not only an excellent investment, but also a first-class means of stimulating the economy.

When hon, members opposite say we are doing things with Challenger jets, STOL aircraft, the Mitels and the Telidons, they simply make our case for us. They only fail by not doing enough. I believe this illustrates some of the gigantic pay-offs a