

and funding support has been reduced. I do not know whether this is a deliberate attempt by the government to discourage foreign investors because of the slowness of the process. If so, that is a dangerous policy at a time of high unemployment. FIRA should be staffed adequately with professional people in order to ensure that its mandate is effectively and expeditiously carried out.

Another area of concern which I believed should be covered in an industrial strategy is the area of foreign exchange policy, particularly as it relates to the manufacturing industry. Some weeks ago I put a question to the minister in an attempt to ascertain his view on this important subject. Either he did not understand me at that time or he chose to ignore my question, because I did not get an answer. It is essential that a clear signal be given that the manufacturing industry in Canada will not be sacrificed in favour of the development of energy mega-projects in this country.

In recent months we have seen a tendency for the government to allow the exchange rate to increase in response to investment flows for energy projects. The resource sector in this country has done extremely well in recent years, but the manufacturing industry has not, as witness the \$17 billion deficit in trade and manufactured goods. Management in the manufacturing industry must be assured that the value of the Canadian dollar will continue to reflect the competitive position of the manufacturing industry in this country. Otherwise they will not proceed with investment decisions or trade development initiatives which will lead to an improvement in our manufacturing trade deficit. Again, let us not forget that these investment decisions and trade initiatives will lead to improved employment prospects in this country.

Last fall I asked officials in the Department of Industry, Trade and Commerce to develop a competitive index which would clearly show the competitive position of the manufacturing industry in this country relative to the United States and others competing with us. I had intended this to be issued on a quarterly basis to be used as an early warning signal if we were beginning to lose our competitive position. I also expected it to be useful in the management of our foreign exchange policy so that the level of the Canadian dollar would not get out of line relative to the manufacturing position of this country. There had been one confidential trial run on this index before the government changed, but since then I have seen nothing. I encourage the minister to see whether he can bring this forward.

On the question of our manufacturing deficit and foreign exchange policy, I believe it would be useful to consider the activities of the import replacement division of the Department of Industry, Trade and Commerce. One of the reasons Canada has a \$17 billion trade deficit in manufacturing goods is that we are not purchasing sufficient manufactured goods in this country. I believe the government should place a considerably greater degree of importance on this division of the department. The previous industry, trade and commerce critic has expressed some interest in imports replacement, and I hope the minister will follow through on that interest.

### *Economic Development*

In a number of speeches I made last fall I drew the attention of businessmen to the new trading environment as a result of the multilateral trade negotiations. I suggested there was a real opportunity for the operations of multinationals to become more specialized as a result of the reduction in tariffs and of the rationalization which was bound to occur as the MTN was implemented. Clearly one of the areas of opportunity for Canadian subsidiaries is to obtain world product mandates from their parent companies. There is no reason why in many industries Canadian manufacturers cannot be fully competitive with their counterparts in the United States and in other countries. There are many examples of this, the most prominent being Westinghouse, Canadian General Electric, Black and Decker, and the office equipment industry.

Last fall I requested the department to prepare a paper outlining the opportunities, problems, past case studies and operating guidelines of companies with world product mandates. I sought this paper because I felt it would be useful for Canadian management to develop a better understanding prior to the full implementation of the MTN in order that they might be better armed to go to their parent company seeking a world product mandate on certain products.

● (1720)

Also I ask the officials to consider ways in which the government might assist and support Canadian management who wish to make presentations to their parent companies. Again, I do not know what happened to the incentives—

**The Acting Speaker (Mr. Ethier):** Order, please. I regret to interrupt the hon. member but his allotted time has expired.

**Mr. Ralph Ferguson (Parliamentary Secretary to Minister of State (Small Businesses)):** Mr. Speaker, I am pleased to be involved in this motion before us today. I suggest to the House that the motion is ill-conceived and shortsighted, in view of the fact this Thirty-second Parliament was only elected on February 18, 1980, or 146 days ago, and already is in its thirteenth week of sittings. By contrast, under the previous administration 146 days after the Thirty-first Parliament was opened the House had sat for only slightly over two weeks. These past weeks since April 14 have been busy and productive. As of this date, I am proud to note that 23 pieces of legislation have passed second reading and 18 pieces have received third reading.

**Some hon. Members:** Hear, hear!

**Mr. Ferguson:** Further, it is interesting to note that our Canadian trade surplus for the month of May was \$577 million. Of course, this is at a time when perhaps there is a reluctance to deal with some nations of the world that do not have the same sense of human or international values which we have in our society in this great nation.

As we look at the various comparisons against which we measure our performance, I will not say anything about this Thirty-second Parliament in comparison to the Thirty-first. Our legislative record to date speaks for itself. We will let