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invest in research and development, that we control our own economic destiny, and that we hone our ability in high technology industries. Immediately after the paper was tabled the Minister of Science and Technology (Mr. Siddon) said that the Government cannot live up to its commitments on R and D. The Minister of Regional Industrial Expansion (Mr. Stevens) joyfully applauded the fact that a number of our major high technology industries are being taken over by foreigners. He said it is wonderful that a Canadian high technology industry is now owned by a company beyond our borders. He wants Canadians to agree that that is a wonderful thing. During the course of the hearings which were held on this Bill evidence was produced time and again that foreign owned companies produce far less research and development than do Canadian controlled companies. We are now simply selling off our birthright, our opportunity to do that which the Secretary of State for External Affairs says we should be doing.

Mr. Brisco: You sold your birthright, turkey.

Mr. Axworthy: We're not talking about agricultural policy. You are in the wrong chamber. You had better go to the other committee. Turkey is what they serve at Conservative fund raising dinners because they are all sitting at the head table.

During the very week that a paper is tabled on the need to develop research and development there is a take-over of Mitel and CTG. There are now reports in the paper that the Hon. Minister is trying to work out a sweetheart deal with foreign owned defence companies. In order to get them to buy Canadair and de Havilland he has to give them defence contracts. This is what we call purpose and direction in our economic affairs. This is what we call smart government. They have got to be kidding. Canadians have got to be asking themselves who is in charge here.

● (1115)

This Minister, who has a lot of time to go and give interviews to *The Financial Post* and all the business papers about his grand economic strategy, does not have time to do his job. His job is to be an economic development minister and establish clear guidelines and goals to make sure that control of a critical industry like high technology is retained in this country. Where was the Minister when he should have been trying to find alternative Canadian buyers? Where was he in trying to develop a pool of Canadian capital? We were told by the Minister of Finance (Mr. Wilson) in his Economic Statement that Canada has the largest pool of savings in the world; 13 per cent of our income goes into savings.

Mr. Stevens: Your Government was borrowing it all.

Mr. Axworthy: If that is where all the capital is, why is it not being allocated or directed into our high tech industries? Surely we can learn the lessons of the past and not sell off this industry, as we have the mining and manufacturing industries.

The Government has taken almost 200 days to come up with a Budget. The only initiative taken by the Minister of Finance was to cancel R & D spending. We desperately hope and pray

that in the Budget next week there will be some initiatives which will provide incentives to Canadians to invest in the high tech industry. But in the meantime this Minister, who said he is going to be the economic Czar, is really acting like a Czarina. He is not dealing with the business of the economy, he is much more interested in telling people what he wants to do. But actions speak louder than words. We will test him, not on his rhetoric, but on what he does, and what he is really doing is nothing; he is simply standing still, with the exception of cheerleading every takeover which takes place. That seems to be his role and responsibility.

Mr. Brisco: Tell us about the ERDA agreement in B.C.

Mr. Axworthy: Let me talk for a minute about the book publishing industry.

Mr. McDermid: Oh, yes, tell us about that one.

Mr. Axworthy: Let me go back to the words of the Minister who said in this House that the one area of the Canadian economy which was another sacred trust to the Conservative Party was the Canadian cultural industry. We all know the book publishing industry is an essential ingredient in the maintenance of our cultural identity; the written word is critical. So what happens? On March 31 the program to provide direct grants to the book publishing industry ran out. Was it replaced? Was any action taken by this Government to provide grants, tax incentives or support of some kind to the Canadian book publishing industry? No, the program was allowed to lapse. In the meantime we had an application for another takeover, that of Prentice-Hall by Gulf & Western, a company which has already taken over four or five publishing firms. Here was an opportunity for the Minister of Regional Industrial Expansion to give a very clear signal to foreign investors that at least in this one area we were not going to accept foreign ownership; in this one area we were going to protect our Canadian culture. But six months later there has been absolutely no action, no decision, nothing from the Minister. As a result of that omission, that inaction, that ineptitude, we now have two other firms, including Gulf & Western, which want to buy a fourth Canadian publishing concern, having taken over two other Canadian publishing companies in the month of April.

The foreign business community is pretty smart; they know how to read signals, and the signal from this Minister is that he does not care, he is not interested, not involved. If you are going to wait six months to make a decision on Prentice-Hall, let's get these other acquisitions and takeovers in under the wire.

The real tragedy in all this, Mr. Speaker, is that we brought in amendments to the Investment Canada Bill which took note of these problems of foreign ownership, but this Government and this Minister refused to pay any attention. In the case of high tech we clearly telegraphed what is now happening with Mitel, because that is only the tip of the iceberg. We said that any company which receives R & D grants from the Govern-