

cent of sales. In short, there is scarcely any export from these foreign companies.

If we are to think about a vital industry, an industry which will be exporting, producing jobs in Canada, and getting the creativity and ideas of Canadian authors out to the rest of the world, we must look to the Canadian-owned companies. The American-owned companies are not doing that. If we depended, as the Prime Minister would want us to do, on more foreign investment, we would lose what we have already.

The Government has admitted that Canadian ownership is a good thing in publishing. We have a policy statement dated July 6, 1985 from the previous Minister of Communications in favour of greater Canadian ownership in this industry. The policy statement is a good one, and I commend the Government on it. However, I have to fault the same Government for not implementing or acting on the Canadian book publishing statement. It remains a statement on paper. The reality is that Investment Canada has been weak. It has not forced the divestment which was called for under the policy. It allowed for a considerable period of time to say that it could not act retroactively and that it would not insist upon divestment when there are foreign takeovers.

Even this very weak policy has been objected to by American publishers, by the American Government, and by the American trade negotiator on behalf of American companies. The United States has objected. The Americans are making a fortune in selling books to Canadians. They would like to make more money. They do not want to see these investment opportunities curtailed.

We have a policy to encourage Canadian periodicals and Canadian magazine publishing. We have various subsidies such as a postal subsidy. The Americans have objected to that and said that it is unfair. However, most magazines sold in Canada are not Canadian. Most of them are still foreign. We have an industry which is trying to grow, and it is extremely important that it be given various advantages.

We have requirements on advertising to encourage advertisements being placed in Canadian-owned periodicals as opposed to foreign periodicals. The United States has objected to that. That amount of protectionism, the kind of protectionism which the Government says is evil, has resulted in a thriving industry. It has resulted in Canadian writers, printers, binders, and all such people getting jobs and getting their ideas out there to other Canadians; in uniting Canadians from coast-to-coast; and in getting ideas around. It absolutely requires some rules, regulations, and controls. These are dirty words to the Conservatives, but the results are not bad at all. They are not unfortunate or miserable results; they are excellent results. Ideas are getting around. People are getting jobs. Authors are getting paid. Royalties are being paid. All this is very healthy for that industry.

Another area has actually shown a great deal of success for Canadians as a result of having a Canadian ownership policy. It is something that we would like to be much stronger in the

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case of publishing. I am referring to broadcasting. It is a success story. It did not happen by accident. This was an area in which investment was largely American. A policy decision was taken by the previous Government back in the 1960s to limit foreign investment—it was in fact American, but the limitation was on foreign investment—to only 20 per cent of broadcasting companies. In short, there must be 80 per cent Canadian ownership and control of these companies.

There was a gradual period of divestment. Instead of Canadian banks lending money to Americans to buy into the industry, they lend money to Canadians to buy into it. Now we have a solidly Canadian-owned industry. In the period from 1968 to 1973 earnings in broadcasting increased 700 per cent, thanks to these rules, thanks to this protectionism, thanks to this control. Jobs in broadcasting at least doubled in that period.

We would like to see more of the revenues produced in this very important industry go into Canadian production. There is certainly room for much more Canadian programming on the air. It is not perfect, but we have made some progress. We have made that progress by having Canadian content regulations.

We have had regulations on border advertising in television stations. The Americans are objecting to these regulations. They say that they are unfair. Fair or unfair, it is extremely difficult for a small country, a country one tenth the size of the United States, to compete. There is no level playing field when one team has 10 times the number of players on the other team. Thanks to these regulations, we have a thriving industry.

The Americans make a lot of money on Canadian broadcasting. They make it largely by selling programs to Canadians. Canadians are major purchasers of American programming, but the Americans want more because broadcasting is a very lucrative industry. Canadian-owned companies are expanding and making lots of money and the Americans would like to be able to buy into it. The Americans are not content simply to make money on sales; they want money from investment. The Americans want to be able to buy in. I very much expect that if they were allowed to buy in, we would have a reduction in Canadian programming, whereas we need an increase. If we did not have Canadian ownership and strong measures for Canadian content regulations, we would have even less. With more American ownership, we would not be able to strengthen our position with programming on the air.

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Film is an area which is not a success story. Film is a sorry failure. Here I have to blame the previous Government—which I would compliment for its decisions on broadcasting—for its reluctance and refusal to act. Task forces, the arts community and experts in the area have explained what the problem is. For decades the problem has been known, that is, that distribution is controlled overwhelmingly by Americans.