

### Supply

We will see the clear obligation of the Government to fill the many economic vacuums which exist. There are more economic potholes in the agenda of this Government than there are on the unpaved roads of the Yukon. That is why the Conservatives lost that election yesterday.

**Mr. Stevens:** What about the Liberals?

**Mr. Axworthy:** We did very well. I am glad the Minister raised that. Guess which seat the Liberals won in the Yukon election? The seat of Faro, which is the site of the Cyprus-Anvil mine which the Minister of Regional Industrial Expansion (Mr. Stevens) has done such a wonderful job of pushing into the ground. I would like to thank the Minister personally for giving us the opportunity to win that seat. We won it because of his inaction.

We on this side can be pleased with the Minister because his record of inaction, indecision and vacillation on a whole front of economic activities is one of the primary reasons for which the Conservative Party is in full retreat across the country, in every province and Territory. That is why it is losing elections and its popular vote is in retreat. I think it is incumbent upon the Liberal Party to give full credit where it is due, and a large part of the credit is due to that Minister.

● (1110)

The people of the country are realizing that the Minister does not understand regional economic development. Not only does he not understand it, he does not care about it. We only have to look at the statements which he has made. Last week he gave a wonderful presentation to *The Financial Post*. The article described the grand new industrial strategy, compliments of the Minister of Regional Industrial Expansion. However, if we study what he is proposing, we realize that he is proposing the elimination of industrial grants to small businesses and replacing them with tax incentives. That may be fine in the region which he represents, but when he begins to withdraw industrial grants from businesses in Atlantic Canada, Quebec, western Canada and northern Ontario, it will mean that there will no longer be economic activity in those areas. There cannot be tax credits when taxes are not being paid because there is not enough economic activity to support them. Anyone who has any experience, understanding or anyone who cares about the requirement of the federal Government to provide parity and equity across Canada would know that. But the Minister in *The Financial Post* statement said that he had a grand new design. What is curious is that the "Minister for free enterprise", as he likes to portray himself, put forward in that article far more drastic interventionism than any Liberal Minister ever considered. The Minister is going to dictate to different industrial sectors their long-term plans.

The Minister loves to stand in the House and berate our poor socialist friends. Yet the Minister is prescribing far more direct social economic planning than anything our socialist friends in the NDP would consider. The Minister is a mass of contradictions wrapped up in a ball of enigma warped in a

hazy gray mass of indecision—if I may use a somewhat loose interpretation of Mr. Churchill's famous statement.

What we are discovering is that this Government does not have an economic development policy which is directed toward the priorities of the country. For example, yesterday in the House questions were asked which related to the takeover of Mitel by a British telecommunications firm. What was very clear was the total absence of any policy or prescription to deal with Canadian involvement, investment and control of its own high technology industry. Every economic commentator will tell us that that industry must provide the cutting edge in terms of international competition. It is an area which has incredible growth potential. It is an area in which Canadians have been able to formulate and develop some of the most interesting and innovative products in the world. It has been nine months since the Government has come into power with its so-called "open Sesame" invitation to foreign investors. Now we are seeing the takeover of that intrinsic, generic and effective Canadian industry by foreign investors. The Minister has no response. He does not have a policy and he does not know what to do. He is now being caught in his own contradiction of saying: "Let's just have wide open foreign investment". That investment will not bring new development to the country, it will simply take over the existing investment. It is sad because there is nothing in place to offer opportunity, encouragement or incentive to Canadian investors. Look at the anomaly. Bell Canada enterprises, a major Canadian telecommunications firm, is putting up \$1.5 billion to buy an oil company but we have to rely upon a British telecommunications company to come over and invest in our own telecommunications industry. If Mitel needed new capital, why did the Minister not take some responsibility directly in working with Canadian investors to provide the necessary capital? He said, "Hands off", yet in the *Financial Post* article he said, "No, hands on. I'm going to require individual companies and industrial sectors to provide a 15-year plan in order to provide for long-term development", except in the high-tech industry and in another wide range of industries, which we will take full opportunity in this debate to draw to the attention of the House.

● (1115)

What we are saying is that the real sacred trust of this Government should be the effective allocation and direction of economic development across the regions of Canada. Yet what we have seen and witnessed in the past nine months is a total abdication of that responsibility and an unwillingness to use the powers, resources and investment possibilities of the federal Government in order to provide for effective leadership. Even its friends are losing patience. Beginning today in Grande Prairie, the western premiers have on their agenda a clear-cut item dealing with the lack of federal consultation on economic development matters. For instance, its friend, Grant Devine, the Premier of Saskatchewan, is saying that what they are really afraid of is that in next week's Budget the federal Government, through the Nielsen task force, is going to slash, hack and cut away at all kinds of economic programs and the