

*Government Orders*

Motion No. 10 would provide for ensuring that innovative technologies are actively pursued.

In the over-all objectives of any large piece of legislation such as the telecommunications act there should be a commitment to ensuring, as the government has taken great pains to ensure, that greater levels of competition and efficiency are structured within the industry.

The government has failed to ensure that we make every provision possible to develop the kinds of innovative technologies not just in certain pockets of Canada but to attempt to regionalize our technological development and our research and development capabilities throughout Canada.

We had quite a debate during the discussions as to whether or not the commitment should be in Canada, or expressed as being throughout Canada. My argument was that we have seen the centralization of industry in research and development take place in this country. Central Canada, Ontario and Quebec, certainly gets the lion's share in terms of industrial development and research and development.

In an industry as large and ubiquitous as the telecommunications industry in Canada, we should be taking specific measures to ensure a more equitable development of the industry. This is in terms of the innovative and high technology sectors of the industry that are coming into play now in the midst of our technological revolution. We should see that these are developed not in Canada, but throughout Canada, to ensure that it can be utilized as a kind of regional industrial development tool.

I was rather surprised in discussing this section that the government wanted to take such pains to ensure the increased reliance on market forces and the increased competitive nature of the industry and not wanting at the same time to ensure the protection of Canadian jobs in the industry. There was no commitment on the government's part to ensure that we use our telecommunications policy as a kind of social policy initiative with respect to the development of Canadian jobs.

One of the problems we are running into can be seen with the decision we discussed today of BC Tel laying off some 820 workers. Those workers are being displaced because of competition in the industry from a company whose market share is 20 per cent American owned. We

can see the slow invasion of the Canadian industry by American market forces.

It is unfortunate that the government did not see fit to expressly include a commitment to protect Canadian jobs in this particular section of our telecommunications policy.

**Hon. Perrin Beatty (Minister of Communications):** Mr. Speaker, I am pleased to have the opportunity to speak on this motion.

The hon. member for Okanagan—Shuswap again raises the point he raised during Question Period earlier. He talks about the lay-offs which took place at BC Tel. He makes mention of the fact that there is competition to BC Tel. He sees this as resulting in the Americanization of Canada's telephone system.

• (1645)

All of us regret any instance where a Canadian corporation lays off any of its employees, but it is strange the credulity of people who are listening to the hon. gentleman today for him to suggest that the fact there is competition from Unitel against BC Tel is somehow proof of the Americanization of Canada's system when as he well knows Unitel has a percentage of Canadian ownership which is considerably higher than that of BC Tel.

How does allowing competition to BC Tel from Unitel in British Columbia result in the Americanization of Canada's telephone system? Just the opposite. In the case of BC Tel we are dealing with a company whose ownership is grandfathered at the present time and needs to be grandfathered because of the fact that it has a high percentage of American ownership. I wanted first of all just to set the record straight on that particular point.

The second point the hon. member makes is indeed an important one. That is the government decided during the debate in committee to amend the legislation to remove reference to culture. Why was that done? That is the first question that anybody in this House has a right to ask. Second, what is the effect of doing so? Does this decision by the government to move such an amendment result in some way in a diminution of the government's ability to support Canadian culture? Does it mean that somehow our inability to refer to the objective section of the bill as referring to culture means that the government cannot act to protect Canadian culture?