

*Supply*

particularly our water resources". Mr. Reisman was a prescient fellow in many ways. I do not know what kind of negotiator he will be, but he understood then, and I presume he has never lost the sense of what it will take to get a good deal, that, basically we will have to give up our ability to own and to manage our own resources and to set policies for them.

How true that prophecy is becoming. I do not know if Mr. Reisman was the author of it, but it certainly seems that the Government we have now is following footstep by footstep down the path of surrendering not only the resources themselves but the right of Canadians to decide how they will be used.

For all the stamping of feet and gnashing of teeth that we see from the Prime Minister and the Secretary of State for External Affairs (Mr. Clark), we have heard it before on shakes and shingles and softwood lumber and all the rest of it. Are they not good at crying over spilt milk? They have a wonderful capacity for dramatic overtones in dealing with those problems. But they certainly have not demonstrated any ability to come to grips with the issue and really recognize what is at stake.

I would now like to outline another facet of the problem. It is not only government policies that are being given away, surrendered and bargained down the track, but the question of the ultimate ownership and accountability of the resources that must be considered. As we have seen in the House, Investment Canada has become a joke. It is becoming one of the great all-time Canadian jokes. I think it will become a perennial series next to the *Royal Canadian Air Farce*. That agency, which is supposed to retain some rudimentary responsibility for determining questions of foreign investment in this country, is so busy rubber-stamping every single possible takeover and acquisition that it has never been able to find anything with which it disagrees.

Why would it not have raised the slightest question, even stopped for a day or two, to examine the sell-off of the West Kootenay Power and Light Co. in the Okanagan? It is the first time in Canada that we have sold off a public utility. Did it even wait for the B.C. Utilities Commission to finish its own hearings to look at the evidence? No. It was in such a rush to get the rubber stamp at work that it agreed to the takeover and acquisition before the evidence was even on the table.

**Mr. MacLellan:** On Christmas Eve.

**Mr. Axworthy:** That is right, on Christmas Eve. I suppose that that was the Government's idea of Santa Claus coming down the chimney from Ronald Reagan or the firm in St. Louis which bought the company and the water rights that go along with it.

Did I hear any protest in the House from the three or four Conservative Members of Parliament who represent the interior of B.C.? I did not hear a word. There was total acquiescence.

If we consider the record of Investment Canada we will see that \$22 billion worth of foreign investment has taken place in just 15 months, and that 95 per cent of the assets are in takeovers and acquisitions. Yet it says that it is doing a good job. Why is that important?

I suppose it comes down partly from the historical evidence provided by the Institute for Research and Public Policy. It is provided in part by Investment Canada. It is certainly provided by DRIE in its own reports.

• (1730)

Whatever you may say about foreign versus Canadian ownership, Canadian companies invest more in research and development, in exports, and in jobs. Why is that important in this case? If our resource industries are going to meet international competition, it will take new investment in research and development to come up with new products, new fabrications, new uses. It will take substantially more effective effort at export development.

It is interesting to note that at the very time our industry is facing this new, intense bareknuckle world of international competition, what is the Government doing? It is reducing the amount of money available for trade development and marketing programs to help industry find new markets. Do you think there is a conspiracy here? Do you think the Government is really just letting this happen by sheer coincidence? Or, do you think someone has decided that they do not want us to compete. They do not want us to become better through research and development. It cannot be completely by accident that you stop investing, pull back support, and surrender to the efforts by U.S. regulatory agencies or the U.S. administration to move in and tell us how to run your industry.

Maybe it is what we call the Schefferville complex. Maybe the Prime Minister thought he was so successful in Schefferville, although the town is now totally closed down, that he is going to apply that principle to the entire country. Maybe Canada is going to become one big Schefferville. You get snazzy headlines that you are trying to save the community, and a year later the fact that everything has gone down the drain does not matter because you have had your headline. Maybe that is the principle now in place.

There has to be some explanation of why every time you turn around you see a Government ill-prepared to come to grips specifically with the major restructuring problems in oil and gas, minerals and grain, yet at the same time surrendering its sovereign ability to do something about it.

I submit that the purpose of this resolution is simply to say once again that the Government has a major responsibility to the resource regions of Canada and it has dismally failed in that responsibility.

**The Acting Speaker (Mrs. Champagne):** Questions or comments? Debate.