

to the Government and ultimately to the people of the country and to the workers at the plant. When I asked what assurance there was that these undertakings were being fulfilled, in fact I was told that there was a monitoring process under way. When I delved a little more deeply, it was clear that the monitoring process was completely inadequate to ensure that jobs were in fact protected, as was the original intent of the review process. We believe that rather than weakening the review process, there should be greater public monitoring of the undertakings of the corporate sector that seeks to establish a new business in Canada or to take over an existing enterprise.

There should be far greater opportunity for intervention by the parties affected by the decision to take over a company or to establish a new company. Those affected parties will include workers, the community in which the company seeks to locate and, of course, possible competitors in the area which may be dramatically affected or undercut, whether it be through pricing policies, anti-labour policies, anti-worker policies, low-wage policies or inadequate environmental protection and so on.

One of the purposes of the amendment we are presently debating is to ensure that the Government has the right to establish conditions with respect to terms of employment and with respect to the impact of new technology, which so often has a particularly adverse effect on women.

I see Mr. Speaker indicating that my time for debate on this particular amendment is coming to an end. However, I want to reiterate that in many ways Clause 2 is at the heart of the Bill because it sets out the Government's broad thrust. In stating without any qualification that increased capital and technology would benefit Canada, the Government is denying the historic reality that in far too many instances the presence of foreign capital in the country has been destructive to the interests of Canadians. We in this Party believe that the motion which has been put forward by the Hon. Member for Essex-Windsor will at least enable the Government of Canada, on behalf of the people of Canada, to ensure that adequate terms and conditions are in fact established, so that new capital and new technology benefits the people of the country and does not solely provide for maximum profits for an American corporate entity.

[*Translation*]

**Mr. Jean-Robert Gauthier (Ottawa-Vanier):** Mr. Speaker, I welcome this opportunity to speak at the report stage and to comment on the motion moved by my colleague from Winnipeg-Fort Garry (Mr. Axworthy). I would like to say, first of all, that I was listening carefully to the Minister when he spoke to the House earlier about the purpose of this Bill. The purpose, he said, is to create jobs. I do not think any Member of this House would be against that.

With the amendment in question we are attempting to make the Government understand there should be a number of conditions under which Canada is open for investment. Capital is welcome, but the country is not for sale! We want to maintain in the legislation a number of measures that will

make it possible for Ministers to explain, if necessary, to foreign investors that if they are coming here to invest, it must be in Canada's interests and for the benefit of Canadians, for the purpose of providing jobs, research and development, and that, in terms of an international mandate, this means developing foreign markets for Canada, so that the country's economy will benefit from sales made on those markets and thus experience new growth.

Mr. Speaker, last year foreign investment in Canada totalled \$4.1 billion. One thousand foreign companies or foreign investors, if you prefer, invested in Canada. Ninety-seven per cent of the proposals submitted under the Foreign Investment Review Act were approved. I find this encouraging. What does the Government want to do? The Government says: Hold everything! Through its negative stance on this federal legislation, the Government managed to convince Americans, Europeans and the Japanese that the Foreign Investment Review Act was a measure that discouraged investment. That is absolutely untrue, as the Minister well knows. It is just not true to claim, as the Conservatives have been doing for two or three years, that this legislation was bad for Canada. That is totally inaccurate. The facts are there. I repeat: last year, \$4.1 billion, 1,000 companies, 97 per cent approved. Why? To create jobs. Why? To promote research and development and to give us a chance to compete on international markets.

• (1250)

The Minister said that Canadian capital was fleeing the country. It was his buddies who were going to the United States to invest, obviously, where interest rates were exorbitantly high, and as all Members of this House are aware, and we might as well admit it, whether we like it or not, we depend on the economy of our good neighbour to the South, the United States. When their interest rates are very high, of course Canada must follow, unless we decide to do what some people suggested, which is to introduce currency controls that would affect the right of Canadians to invest where they want to invest and where they will get the best return on their investment. If this is what the Government wants, it should come out and say so, but it should not try and have the House and the Canadian public believe that the Act, as it was, was bad legislation and was not in the interests of Canada.

Mr. Speaker, for many years Canada has been trying to break into the international market in the research and development area. Hon. Members will recall that the Canadarm is a very good example. Nevertheless, as a country, our record is well below that of other major industrialized countries in research and development. Why? According to the Science Council, Canada's performance could be improved if the level of foreign ownership in our industry were not as high. That is what the Science Council said. The multinationals have a tendency to concentrate their research and development activities in their country of origin, which is normal, and they usually ignore the scientific potential of Canadians.