

Investment Canada Act

section? Alternatively, does the Hon. Member think this is a provision which will be ignored, just as FIRA provisions were in the last year or two of its operations?

Mr. Gauthier: Mr. Speaker, in answer to the question, of course, I hope not. I hope the Government will see the light and use this chance to screen, if that is the proper word, foreign investment takeovers of rental properties. I believe we have added some teeth to the provision, although they are not the tiger teeth I would have liked to see.

Mr. Epp (Provencher): Not a full set!

Mr. Gauthier: That is right, not a full set. Rather, it is just a small tooth in the Bill which will probably be useful at the right moment in order to prevent foreigners from speculating and inflating real estate prices in Canada to their multinationals or corporations. I believe the Government should take advantage of Motion No. 24.

Mr. Ken James (Sarnia-Lambton): Mr. Speaker, the reality we face today is that there are far too many Canadians who do not have jobs. We need to create jobs for Canadians. We have said this many times in the past. Bill C-15 certainly honours my Government's commitment to this end.

Foreign investment can stimulate our economy. The Foreign Investment Review Agency only hindered our participation in the competition to attract foreign companies to invest in Canada. One must ask why. Why for over 10 years was the previous Government content to abandon the goal of attracting the necessary equity investment to our country? FIRA put a severe crimp in the important of equity capital. This is an economic tragedy. Canada is rich beyond belief in land, materials, natural resources and the ability of workers. However, we find it very difficult at times to raise sufficient capital to take advantage of our magnificent and abundant investment opportunities.

Canada needs equity capital. We need it desperately. Some 600,000 jobs were lost due to the hostile ideology of the previous Government toward a toothless monster called foreign investment. That is not what my Government is about. We fully recognize that Canada needs, in real terms, nearly \$100 billion over the next six years to create the opportunities necessary to create new jobs. We are firmly committed to doing this. Bill C-15 is one of the mechanisms by which we can achieve our goals. This Bill fulfils an election promise made by the Minister of Regional Industrial Expansion (Mr. Stevens) on behalf of the Conservative Party on July 18, 1984. Then on September 4, the Canadian people sent a loud and clear signal to Ottawa giving us a new mandate for change. We were elected to make positive changes for Canadians because the Canadian people were tired of the same old, empty promises made by a tired, old Government. We campaigned hard on a promise of change, and Bill C-15 is proof of our sincerity and our determination to fulfil our mandate.

● (1600)

Members of the Opposition have tried everything to stall this change. We must ask ourselves why they insist on preventing positive and productive legislation. Undoubtedly it is

because they never wanted to keep a pledge or a promise, and perhaps this is the reason they do not know how to deal with a sincere Government, a Government dedicated to change.

Foreign investors felt harassed and unwanted by FIRA. Merely the name of the agency was enough to disinterest many companies wanting to build a solid Canadian-based company. FIRA became an over-zealous, meddlesome nuisance which subjected prospective investors to a tangle of red tape, delay and frustration in the screening process. The irritant for businesses was going through the process, and the agency was perceived by some investors to be so burdensome that they did not even bother to apply to invest in Canada.

In June 1984, the Development Minister of Nova Scotia said that FIRA deprived Nova Scotia of foreign capital needed to create jobs and that foreign investors had contributed substantially to economic growth and job creation in that province. He added that Canadian investors cannot match the economic boost Nova Scotia received from foreign-based employers.

A West German ambassador has said that FIRA tended to inhibit German investment in Canada and had a deterrent effect on smaller industrial firms which shied away from the expense and bother of the red tape of that kind of agency. The British Trade Minister said that FIRA is an irritant and a barrier to foreign investment and that it is much easier for a British company to invest in Seattle than in Vancouver.

It is sobering to guess how much further ahead we would have been in job creation and output if we had not been forced into the narrow economic nationalism of the last 20 years. Canada lost many potential gains in the world markets of technology, investment and trade. This decline must not be allowed to continue.

Investment Canada eases the regulations facing corporations whose shares are publicly traded. A corporation in which the majority of voting shares are owned by Canadians, by Canadian-controlled companies or by Governments which meet the requirements will be considered to be Canadian under this Bill. Under FIRA, at least two-thirds of the voting shares had to be Canadian before a publicly traded corporation could be allowed to acquire firms without government interference.

Bill C-15 strengthens the incentive for publicly traded firms to increase Canadian participation and autonomy. Bill C-15 dissolves much of the oppression felt by much of the business community about FIRA and in its place it establishes an effective Act that protects Canadian interests but protects them in a positive and constructive way. Investment means jobs. Investment means more choice for the consumer. Investment means a better standard of living. Investment means faster growth.

Bill C-15 is not just of benefit to those of us on this side of the House. Each and every Member and their constituents will