

my is one of the oldest and probably one of the most continuously discussed topics and has been, for the most part, ever since confederation. We are one of the few nations in our peer group of countries which has no policy in this regard.

In the last ten years, a succession of Liberal governments did little to attack the issue actively. In fact, they seemed curiously reluctant even to implement tax and fiscal policies which would allow Canadians to compete on equal terms in their own country with outside interests. To this very day, foreign interests can operate in Canada on more favourable terms than Canadians in some respects. Now, at last, this government has moved and has done so in its usual fashion, typical of its philosophy, that is negatively, excessively bureaucratic and poorly organized.

In our last parliament, an attempt to deal with foreign ownership died on the order paper and now, once more, parliament has the opportunity to come to grips with this issue which touches every Canadian in one way or another. It goes, almost without saying, that for a Confederation like ours, a nation with diverse needs and capabilities, massive in size and rich in geographic differences, a consensus for dealing with foreign investment policy is much more difficult to achieve than for countries with a more unitary outlook, different political system, compact area and advanced state of development. In short, before being excessively critical of this government's present efforts, I want to say in all fairness that I appreciate fully the difficulties inherent in this sort of legislation.

Most of the provinces of Canada have reason to be concerned about the effect of controls on foreign investments, which is one of the primary reasons for the various amendments standing in my name. These concerns, I think it is fair to say, are reflected more vigorously in the poorer provinces because the poorer a province is, paradoxically the more it has to lose by restraining foreign investment capital.

Let us not forget, also, that a major department of government was set up to deal with the problems of poor regions, namely, the Department of Regional Economic Expansion. Even leaving aside constitutional issues, which are also implicit in this type of legislation, the provincial governments are fearful of the practical consequences of having provincial economies and regional economic development impeded as a result of direction from Ottawa with regard to the investment potential in their provinces by potential investors from the world community. The more fortunate provinces in Canada, and the central region in particular, also have their own particular reasons for concern over foreign investment; but they can afford to be more statesmanlike about the issue since they already have built the sort of economic structure that is the envy of less fortunate provinces in Confederation.

Premier Hatfield of New Brunswick, appearing before the Standing Committee on Finance, Trade and Economic Affairs this summer, speaking on behalf of his government and as a spokesman for the Atlantic area, was very emphatic in his concerns. He said, in part, at that time, and I quote:

Foreign Investment Act

I have been talking interchangeably about New Brunswick and the maritime region in what I have said because the problems that one province has in this region are to be found in the other two.

In the light of this, I had discussions with my colleagues, Premier Campbell of Prince Edward Island and Premier Regan of Nova Scotia, at the time of the maritime premiers meeting in Fredericton last Thursday and Friday. They authorized me to say that they, too, shared my deep concern that this Foreign Investment Review Act would be detrimental to the expansion of industrial development in the whole maritime region.

I asked the premier at that time whether he subscribed to the necessity, to some degree at least, of regulating foreign investment in this country and he replied that he had not been convinced that the government of Canada did not have the power at the present time to control foreign investment if they chose to use it. "I suspect", he said, "what they might lack is policy development". By that I assume he meant a positive proposal of tax and fiscal incentives to promote positively Canadian expansion—and the capability of holding our own in relation to outsiders' interests.

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Premier Hatfield also expressed concern that this type of legislation could become an obstacle to the progress of DREE policies and DREE purposes and would exacerbate the long delays in getting a decision from DREE. The former minister in charge of DREE is quoted in the recent past, in reply to a request that DREE grants be restricted to Canadian-owned corporations, as saying, "I do not want to make economic philosophy on the backs of underdeveloped regions". This is a clear indication that he, at least, was keenly aware of the relationship between development vis-à-vis the foreign investment issue.

A view expressed by a spokesman for the government of Ontario was as follows:

As an underlying theme to the Ontario position, we believe that the primary objective of the proposed review process should not be to restrict foreign investment per se, but to ensure that future investments by foreign corporations make an effective contribution to the achievement of national economic and social objectives.

The position taken by the government of the province of Saskatchewan is contrary to that expressed by Premier Hatfield and an excerpt from their presentation is as follows:

There seems to be a notion that one reason why foreign investment shouldn't be tampered with, is because it may retard efforts to promote regional development programmes. This is a myth. But even Prime Minister Trudeau was spreading this doctrine for a time.

The Saskatchewan government then goes on to say that it wishes to emphasize that it is not just a case of placing a restriction, or a controlling rein on foreign investment that is needed, but rather the development of a positive policy that can serve as a framework for future Canadian development. While I cannot agree with much of the position put forward by the government of Saskatchewan, I think this latter excerpt from their presentation is one that is reasonable and certainly is one with which all Canadians can identify.

The Atlantic Provinces Economic Council has been actively concerned with the issue of foreign ownership. They believe that the question of foreign investment