

Investment Canada Act

purpose as indicated in Bill C-15. I skip the first two lines to get to the part which is of more interest to us. From the end of line 2, Clause 2:

—the purpose of this Act is to encourage investment in Canada by Canadians and non-Canadians that contributes to economic growth and employment opportunities and—

The rest almost sounds like an afterthought:

—to provide for the review of significant investments in Canada by non-Canadians in order to ensure such benefits to Canada.

First, we see that the Clause refers to significant investments, and it seems to imply that the Government does not see any point in reviewing and scrutinizing all investments, as has been the practice so far.

However, the amendment standing in the name of my colleague from Winnipeg-Fort Garry reads as follows:

(2) Recognizing that increased capital investment and innovative technology would benefit Canada, the purpose of this Act is to provide for the notification and review of proposed investments in Canada by non-Canadians in order to ensure—

And here is the important part:

—that they contribute to economic growth and employment opportunities, and to encourage beneficial investment in Canada by Canadians.

What is important in the amendment moved by my colleague, Mr. Speaker, is that emphasis is put on the notification. We believe that every investor who wants to bring capital into Canada should at least, regardless of the size of the proposed investment give notification of his intention to a government agency which will review the investment and determine whether, in its opinion, it can be of benefit to Canadians. In fact, the amendment moved by my colleague also emphasizes the review process.

The Bill introduced by the Government does not specify which projects will be subject to review. First, the Government suggested that the previous administration was too restrictive and that the review agency had kept foreign capital out of Canada. This is completely false. If we look at the record of FIRA, we find that 3 per cent at the most of all investment applications made by non-Canadians and involving foreign capital were turned down. This means that the great majority of these investments, or 97 per cent, were consistently being approved. No one can therefore suggest that the avowed purpose of the previous administration was to prevent foreign capital from entering Canada. What concerned the previous Government and what should still concern this Government was to guarantee first of all that foreign capital did not enter Canada needlessly to purchase sound businesses, while creating no additional jobs and simply allowing profits and dividends to leave our country and go somewhere else. That is what we should monitor.

In addition, we must ensure that capital invested in Canada will, on the one hand, contribute to our economic growth, and on the other, create jobs because, in view of the present situation in Canada, this should be the main concern of the

Government, as 1.5 million unemployed looking for work will tell you. We should therefore make sure, on the one hand, that foreign capital will create as many jobs as possible for Canadians and, on the other, that these will be attractive jobs and that the companies locating in our country will produce economic fallout by generating other small service industries. This is what we want. That is why my colleague from Winnipeg-Fort Garry (Mr. Axworthy) has moved an amendment to specify the purpose of the Bill so that we could be certain that this legislation aims at maximizing job creation, at ensuring quality jobs and at providing economic fallout for the community where these jobs will be created.

In our opinion, it is just as important—I see, Mr. Speaker, that you are telling me that my time is running out, but I would not want to close without saying that our Party believes it to be extremely important for the Government to review foreign investment plans to ensure that they will create businesses which will also benefit Canada in the field of research and development.

We know quite well that the general tendency of foreign parent companies is to carry out research and development at their headquarters either in Europe, in the United States, in Japan or elsewhere. We want to make sure that those who invest in Canada do not solely do so to make profits, which is perfectly normal, but we do not want that to be their only purpose. We do not want them to come here to find qualified labour and pay them as low as possible, although that is a legitimate attitude in any businessman. We do not want them to come to Canada merely because our country is rich in low-priced raw material while we realize that a foreign company could rightfully take that into account. We do not want a foreign company to come to Canada merely because there is a market. We think that those four legitimate aims will surely motivate the foreign company which would like to operate in Canada, but we think that at the same time, the Government should make sure that in trying to attain those legitimate goals, the company will also at least give minimum attention to the national interests of Canadians. That is why I support the amendment introduced by my colleague from Winnipeg-Fort Garry.

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[English]

BUSINESS OF THE HOUSE

Mr. Hnatyshyn: Mr. Speaker—

Some Hon. Members: Speech!

Mr. Hnatyshyn: As much as I would love to speak on this wonderful Bill, I will restrain myself as I know opposition Members will want a full opportunity to compliment the Government for this initiative.

I have spoken with the Opposition House Leaders about the business for this week. If we are not able to squeeze report