

Foreign Investment Act

assist in the financing of that sell-out? Thus far, the Canadian public has, by its silence, agreed to the wholesale take-over of our resources. In many cases, we were owned before we knew it, for the profit makers, Canadian, American or others, know no boundaries and recognize no imaginary lines on the map. They are multinational in scope.

It is interesting to note that the amendments that are before us deal with the matter of letting the provinces have some kind of veto power or they must agree to the take-over or agree to the reasoning process before such a process can apply. I think that certainly would be a backward step. We see, for example, that in many areas the provincial governments have refused to put forward any kind of decisive legislation in the area of foreign ownership. It seems to me that the responsibility is in the federal government's lap to give an example of the kind of legislation which would protect and bring back under the control of Canadian people their interests which are now controlled in the whole field by foreigners. If we cannot decide in this country how our resources are to be distributed, how they are to be used and conserved, it seems to me that we are doomed.

Indeed, just thinking about that brings back to my mind a verse from Julius Caesar, spoken by Brutus, which reads as follows:

There is a tide in the affairs of men
Which taken at the flood leads on to fortune;
Omitted, all the voyage of their life
Is bound in shallows and in miseries.
On such a full sea are we now afloat,
And we must take the current when it serves,
Or lose our ventures.

Indeed, while this bill will not ensure that we will not lose our ventures, I hope that it might be a foot in the door. I hope that one day when our party, the NDP, sits on the government benches over there we will get the kind of legislation that will not permit these foreign capitalists or Canadian capitalists to take advantage of Canadians.

Hon. Paul Hellyer (Trinity): Mr. Speaker, there is no doubt that Bill C-132 is intended to do something about the growing problem of Canadian participation in the ownership and control of industrial and resource development. Unfortunately, it will fall far short of achieving that objective. Rather than addressing itself to the positive measures necessary to enable and encourage Canadians to participate more fully, it is largely negative in character. It is subject to many deficiencies and, in its present form, raises the spectre of continuing confrontation between federal and provincial administrations. Its potential can only be realized if it is accepted for what it is: a temporary dike to stem the tide of foreign take-overs in the short run in order to permit the permanent installations and power generating positive programs necessary to enable Canadians to play a more active, aggressive and effective role in their economy. We must not be complacent. Bill C-132, by giving the appearance that something is being done, must not provide a smokescreen for continued government inaction and inertia on the creative front.

The Standing Committee on Finance, Trade and Economic Affairs has subjected the bill to a minute scrutiny.

[Mr. Rodriguez.]

To assist it in its work, a number of representative Canadian individuals, corporations and organizations, including several provinces, presented their views. These were most helpful, and I would be negligent if I did not congratulate the witnesses who appeared before us for the high quality of their submissions and the extraordinary amount of thoughtful consideration that they had given to the subject matter and to the technicalities of the bill itself. I will make no attempt to enumerate all of the principal points raised or to comment on them individually. A few reservations were raised with sufficient regularity, however, that a brief discussion might be helpful.

A number of witnesses suggested that the bill provided too much discretionary governmental intrusion into economic processes in the private sector. It was argued that the interference was both unnecessary and detrimental. The extra governmental intrusion in business affairs is self-evident. The suggestion that no action was required, however, was not supported. No evidence was presented to the committee to show that the trend toward foreign take-overs and an increasing level of foreign domination of the Canadian economy would either be abated or reversed on the present basis. This was one of the inherent weaknesses in several submissions where the contention was made that either no problem exists or that to the extent that it exists, it will right itself automatically, and was not supported by factual or statistical evidence.

It was also suggested that the bill is so strongly biased against foreign investment that it would damage Canadian economic prospects. Quite obviously, the extent to which this is true will depend entirely on the willingness and ability of Canadians to fill any void that may be created. Large new capital investments are required in Canada on a scale well in excess of previous experience. To the extent that the necessary savings can be generated in Canada and then funnelled into the necessary development, no detrimental effect will occur. If we are unable to meet the challenge then, of course, our economic prospects will be affected. Interestingly enough, it is in many cases the individuals who are most concerned about the effects of the bill who should be giving the most leadership and taking the aggressive initiative necessary to prove that their fears were unfounded.

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It was also suggested that the bill places a particularly onerous burden on small business whose resources are already strained to the limit in reporting to the government. We share this concern. The government can go a long way toward alleviating these fears by printing guidelines which would let small business know exactly where it stands and, to the maximum extent possible, exempt it from routine scrutiny except in those sectors of the economy where failure to do so would be detrimental to the public interest. If the government does not act in this area at the outset, all of the officers of the Industrial Bank and Development agency will wind up being clerks, couriers and corporate babysitters instead of entrepreneurial sparkplugs.

One of the most frequently heard suggestions was that the concept of "significant benefit" should be replaced by a test of "detriment" or "prejudice". A considerable