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That brings us to the part of the agreement that relates to investment. Attracting foreign investment has been one of the goals of this Government. As one of the leading newspapers has pointed out recently, this is one of the goals of free trade. It is not one of the costs, as my colleague from Winnipeg—Fort Garry just said. Why do we say that as a Government, Mr. Speaker? Because investment creates jobs. It brings new technology, new production ideas, new management, new trade opportunities, regional development, all of which together lead to a healthier economy and an economy that will produce more job opportunities than would be the case without that investment.

• (1610)

This is one of the fundamental differences between the Progressive Conservative Government and the Liberal and the New Democratic Parties. We view investment as being positive. It is one of the key elements of our economic policy.

One of the first things that we did when we came into office was to improve Canada's chances of attracting foreign investment. We scrapped the Foreign Investment Review Agency and created Investment Canada. We told the world that Canada was open for business once again.

The world has responded. We have seen investment in Canada grow and almost double in portfolio investment, and slightly less than double in direct investment. That has been one of the principal factors that has created those 959,000 jobs that we have seen since September of 1984. That is one of the key results of our changed attitude toward foreign investment.

This free trade agreement continues that same direction. But it does not mean that foreign investors will have unbridled liberty to do whatever they wish to do. We maintain our powers to approve, to veto, or to set conditions on the acquisition by any foreign interests of any of the large companies in Canada. We have left in force the ownership restrictions in those sectors of our economy that define what we are as a nation, notably, energy, air transportation, banking, telecommunications, publishing, broadcasting, cinema, and all the cultural industries that are so important to our future as a country.

What the trade agreement does is to strengthen the policies on investment that we have in place. It has already aroused great interest among investors in Europe and Asia. They now see Canada as a very important base on which they can service the great American market. They see Canada as a stepping-stone into that North American market. The assured access that the free trade agreement gives to Canada will be a significant element in future investment decisions by both Canadian and foreign investors.

The trade deal works both ways, of course. The United States will accord Canadian investors the same rights as their own citizens. It will exempt Canadians from any legislation that puts restrictions on foreign investment. That, in an era in which the Congress is beginning to consider such restrictions,

is an important element of stability for the many Canadian enterprises that wish to expand beyond their Canadian base.

There are few areas in which foreign investment is as critical to Canada as is the automotive industry. Surely, the Leader of the New Democratic Party, who represents an auto town, cannot oppose the fact that the American auto industry invests in Canada. Surely he cannot oppose the \$2 billion in new investment that General Motors has recently put into his riding in Oshawa, creating jobs and ensuring that Oshawa will be a key participant in the North American auto industry for years to come. In fact, that Party does not oppose it. It has made the Auto Pact an article of faith, the same Auto Pact, I remind Hon. Members, that that Party so violently opposed when it was signed 22 years ago. Now the Auto Pact is living proof of the advantages of two of the elements of our trade agreement with the United States, investment and free trade. The question is, how can an article of faith in one industry be a threat and a sell-out in all of the rest?

The auto industry as a whole accounts for approximately one-half of Ontario's exports. It is taken very well care of by the Auto Pact. But what about the other half? Does it not deserve the same type of treatment, the same type of access to its closest and biggest market, and the same type of protection from the rampages and vicissitudes of United States protectionism?

When the NDP talks about sell-out, what in the name of sanity is it talking about anyhow? There has been no sell-out anywhere, certainly not in the Auto Pact. Let us not forget that our chief negotiator, Simon Reisman, is the same chief negotiator who negotiated the Auto Pact to the best interests of Canada some 22 years ago.

Since then our auto trade has been strengthened. It is strengthened further by this free trade agreement, not weakened. All the Auto Pact safeguards for the Canadian industry remain intact. We retained for the North American producers the right to import products duty free from third countries, and will do this only if they keep their one-to-one assembly to sales ratio.

The Auto Pact is subject to review and cancellation. By wrapping the free trade agreement around the Auto Pact we have preserved the Auto Pact. Indeed, the agreement will expand free trade to include new sectors of the industry, replacement parts and tires. Now, if this is a sell-out, why is it that American auto parts makers who sell to the Big Three are protesting that the agreement will send even more of their business to Canada?

In addition, the free trade agreement opens up the North American market to our auto parts manufacturers. This will lead to increasing business for them. Why do I feel confident of that, Mr. Speaker? Because the performance of this industry supports that fact.

Let us look at what has happened over the last four years. The percentage share of North American parts markets by the