

Mr. Stevens that he should be the first minister off the mark with an important piece of legislation.

Honourable senators, I was, and I remain, an unrepentant economic nationalist. My patron saint, as many in this chamber will know, is the Honourable Walter Lockhart Gordon, so aptly described as the gentlest of patriots, which indeed he was and which indeed he is. For me, FIRA's only fault was that it had no teeth; that it was never tough enough. But governments change, and apparently so do times, because now Canada is for sale. I think that is what the Prime Minister said, or words to that effect—

**Some Hon. Senators:** No, no.

**Some Hon. Senators:** Yes, yes.

**Senator Davey:** Well, words to that effect, certainly.

**An Hon. Senator:** "Open for business."

**Senator Davey:** And, yes, it is true that the government does have public opinion surveys which indicate that a great many Canadians now agree with this government's continentalist philosophy. But be forewarned, my friends opposite, it is at best a fickle love affair. Make no mistake. What Canadians want most of all, in the memorable words of some feckless Tory speechwriter, are "jobs, jobs, jobs." And Canadians are still waiting for this government to produce. They have been told over and over again that big private American enterprise, like the U.S. cavalry of old, is going to ride in and save the day.

Well, this isn't Hollywood, honourable senators; it is the real world. Upwards of a million and a half Canadians are jobless, and recently the Minister of Finance assured us that the problem will not subside, in his opinion, for at least a decade.

Well, that is not good enough. When Canadians realize, as they inevitably will, that the United States is primarily occupied with its own economic problems, that international American corporations look after their own jobless first—which explains some of our own current high unemployment—that foreign takeovers usually cost more jobs than they create and that in return for nothing we will have sold out even more of our heritage—when these realities come home to Canadians, then—and mark my words—then those big Tory numbers will start to tumble, and so, I suggest, will the love affair with Ronald Reagan.

This is the recurring reality of Canada. Our attraction to foreign investment swoops up and down like a roller coaster. It has done so for a hundred years. Meanwhile, I wish that some of my continentalist friends would cool their rhetoric. Indeed, the minister became excessive the other day when he said that those of us who disagree with him, and I quote, "hate everything foreign." That is unfair. It is a little like my suggesting that those who support this legislation are not good Canadians. I would never say such a thing.

In fact, I love New York, apple pie, and the Toronto Blue Jays. I have a number of dear American friends, most of whom, like me, just don't agree with the politics of Ronald Reagan.

[Senator Davey.]

So, here I am, an unrepentant economic nationalist, faced with legislation which both as a Liberal and as a Canadian I find repugnant. I am sure some of my friends opposite faced this kind of problem on countless occasions in the past; but may I suggest that it was easier for them because they were a minority and could vote their conscience. I could never believe that we should use our majority here to thwart the will of the other place. I have really only one course of action: to put my concern on the record, to ask a series of questions for information, and then possibly to abstain when it comes time to vote.

In that spirit, and briefly, honourable senators, let me put these facts on our record. It is a dreary as well as all too familiar catalogue which should inhibit any government's open door to foreign investment. The following are StatsCan figures: our rubber industry, 98 per cent foreign owned; the tobacco industry, 97 per cent foreign owned; the electrical apparatus industry, 71 per cent foreign owned; manufacturing, 51 per cent foreign owned; transportation equipment, 92 per cent foreign owned; agricultural machinery, 51 per cent foreign owned; the chemical industry, 71 per cent foreign owned. By now honourable senators should have the idea. In fact, few countries in the world come even close to Canada when it comes to foreign ownership of its economy. Japan has one per cent foreign ownership; the United Kingdom, 2 per cent; the United States, 2.5 per cent; France, 3 per cent; and Canada, a staggering 30 per cent. In other words, foreign control of our economy is pervasive, it is massive, and it should be alarming.

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Someone may ask "Does it really matter?" I think it does, even setting aside the contribution that foreign ownership makes to the erosion of our national spirit and to the resultant Canadian national inferiority complex.

Those things aside, let us examine just one net result of what foreign ownership does to our service deficit. In 1984 there was an outflow from Canada, for interest payments on foreign debt, of \$1 million each and every day, 24 hours a day, seven days a week, 52 weeks a year; plus \$300,000 every hour in dividends that we pay non-Canadians for their ownership in Canada; plus another \$800,000 every hour in service charges related directly to the degree of foreign ownership. That totals \$35 billion per year.

Even more depressing, honourable senators, is the fact that more than 60 per cent of all loans made by Canadian banks go to non-citizens of Canada. Mel Hurtig in a recent speech said:

It's indeed ironic that in a country where so many of our business and political leaders have for so long pontificated about our heavy dependency on foreign investment, our own major banks, employing Canadian savings, have been the financiers of so much of the foreign control of our own country. It's probably safe to say that throughout the 1970's over half of all private-sector bank loans made by our large banks went to foreign-controlled corporations either inside or outside of Canada. In 1983, an educated guess would be that a shocking 65% of all the dollars lent by our own big banks to private corporations go to foreign firms.