

*Foreign Investment Review*

amount of unemployment as well as the fact that 60 per cent of the products we consume come from abroad. We would be better off manufacturing them ourselves. In other words, that explains the failure of Canadian industry. If we want to remedy that we will not succeed by penalizing those who continue to believe in foreign investment but by changing in its entirety the principles which govern production in Canada. And that is why this bill centers on very deep causes as well as other points essential to the people of Canada.

Mr. Speaker, it is clear that as long as we accept to consume foreign products which we can produce ourselves, as long as we believe that nothing can be done without foreign investments, nothing—and I repeat—nothing will be done.

Yet there is a concrete and clear solution: all our consumer goods whether food stuff, textiles or whatever, should be produced right here in Canada. All the government need do is ensure the availability of credits required for this purpose. As soon as this principle is recognized, we will no longer have any foreign ownership problem as it will be our own money. In other words, our own credit would finance our whole production system. This is quite same problems and never find any solution.

When we speak of respecting private enterprise, when I say that the government should facilitate credit I do not mean that it should take control of all our companies and interfere with the private sector. This is of course not my point; we are completely opposed to the NDP policy in this connection.

We want all businesses with initiative, when they prove they are able to manufacture the required products which can be consumed by the Canadians, to be assisted by legislation aimed at creating new enterprises or at facilitating credit.

Mr. Speaker, we would then be far from subsidies and grants and the whole system now in force and in order to palliate the unemployment problem and promote production in Canada, I believe it would be much better to provide those businesses with the credits they need, provided it would be at a very low rate of interest. There lies the problem. I am convinced that if we were to ask all owners of businesses to choose between a \$100,000 loan at 3 or 4 per cent and a \$25,000 grant combined with a \$75,000 loan at a 10, 11 or 12 per cent rate of interest, they would prefer not getting any grant at all and securing a total loan of \$100,000, but at a very low rate of interest. That is how industry could compete with foreign production.

Besides, I think it could never be said too often—it is somewhat ridiculous to have production work exclusively on others.

On what grounds can Americans, Europeans, Asiatics or Africans, with the help of their internal policy, come and influence ours? On what grounds do we have to buy shirts from Japan, Korea or China, merely because those shirts on the Canadian market are, we are told, a little cheaper than the shirts made in Canada? On no grounds at all.

Even if Canadian shirts or shoes were a little more expensive than those made in Japan or elsewhere in the

[Mr. Matte.]

world, what is important is that the Canadian consumer should have the purchasing power he needs to buy them.

Citizens from Quebec, British Columbia or Ontario would not mind paying shirts twice the price provided they would have in their pockets the money to buy them. It is as simple as that.

It is that sound and firm principle that should be applied. Should we concentrate all our activities on the attainment of balance between the purchasing power and the production cost there would never be any inflation or deflation; in short, there would never be any problems.

So, if our system allowed us to produce in Canada all the goods we need, whatever the price, we would only have to balance purchasing power and cost of production. Under such a formula we would reduce unemployment to its limit and we would no longer be at the mercy of other countries for our survival.

Under such a formula, I already said it and I am taking the liberty of saying it again, we would no longer be compelled to buy foreign products because they are cheaper. We cannot presume what went on in the exporting country. What assurance have we that such countries do not succeed in competing with us because of special laws of their governments? Mr. Speaker, I will say as a closing note on Bill C-132 that I understand the government's intentions and I agree with them. However, I want to point out that the question of foreign investment will not be truly solved until we stop waiting for foreign capital and start issuing the credits required to produce the goods the Canadian consumer needs.

[English]

**Mr. Munro (Esquimalt-Saanich):** Mr. Speaker, I rise on a point of order. It is my understanding that there are three speakers left on the list, and I suggest that to permit the minister to wind up the debate we limit speeches to 12 minutes for the succeeding speakers so that we could finish by six o'clock.

• (1710)

**Mr. Gillespie:** Mr. Speaker, that is agreeable.

**The Acting Speaker (Mr. Laniel):** Hon. members have heard the suggestion made by the hon. member for Esquimalt-Saanich (Mr. Munro). Is there agreement that from now on speeches will be limited to 12 minutes, with enough time for the minister to wind up the debate and take the vote by six o'clock?

[Translation]

Do hon. members agree that speeches be limited to 12 minutes in order to allow those who wish to speak to do so before six o'clock?

**Some hon. Members:** Agreed.

[English]

**Mr. Otto Jelinek (High Park-Humber Valley):** Mr. Speaker, because so many hon. members have spoken on this bill before me, I do not want to repeat the pages and pages of statistics which have been brought out in this debate. I would rather, Mr. Speaker, begin by trying to determine what the results of foreign investment in our country have been and will be on the well-being of Canadians one way