

Investment Canada Act

ances at all. He said that we would have to wait and see. He said that we would be happy when we found out who the new owners of de Havilland were going to be and what the new rules of the game were going to be. We would like some statutory protections. The kinds of statutory protections that the legislation about to disappear contains were the kinds of safeguards and protections that we would like to have.

Mr. Svend J. Robinson (Burnaby): Mr. Speaker, I am pleased to take part in this important debate and to talk about Clause 2, which is in many ways at the heart of the proposed legislation.

There are two motions as I understand it currently before the House. First is the motion put forward by the Hon. Member for Winnipeg-Fort Garry (Mr. Axworthy). Second is the motion moved by my colleague, the Hon. Member for Essex-Windsor (Mr. Langdon). Both of these motions seek to strengthen what is at the present time a very weak and dangerous purpose clause of Bill C-15.

I might preface my remarks on these motions by pointing out that in my view Bill C-15 is one of the most important pieces of legislation to come before this Parliament. What we are talking about in essence is the economic sovereignty of this nation. We have had a very early statement by the new Conservative Government of the extent to which it is prepared to cede economic sovereignty to the American corporate sector.

I want to indicate that what we are talking about in this legislation is a move backward. It is a fundamentally regressive move. We in the New Democratic Party have always been of the view that rather than weakening the provisions of the Foreign Investment Review Act, what we as Canadians should be doing is asserting our economic sovereignty by strengthening those provisions. But this Government is moving backward. The effect of Clause 2 and the effect of this Bill is to allow American-based multi-national corporations to determine what is best for them, and it will be their corporate priorities which dominate decisions made with respect to investment of new capital and new technology in Canada. It is for that reason that we fundamentally oppose the blanket statement that increased capital and technology would benefit Canada.

There has been a whole series of studies conducted which have demonstrated without any doubt whatever that the net impact of major corporate foreign investment in this country over the past couple of decades, instead of creating jobs for Canadians, has had the opposite effect. To suggest without any terms or conditions that increased capital and technology will benefit Canada flies in the face of our experience as a nation with foreign capital and foreign-based technology.

It is for that reason that my colleague from Essex-Windsor has proposed an amendment to change that wording to read that we recognize that increased capital and technology under the appropriate terms and conditions established by the Government would benefit Canada.

There is a profound difference in that approach, an approach that recognizes it is up to the people of Canada,

through our Government, our elected representatives, to determine priorities for new capital and new technology. It is not automatically acceptable that the foreign corporate sector should decide what are those priorities. The reality in many cases is that what is good for the foreign corporate community, for the American multi-national corporation, in the short term may be good for Canada, but in the long term it may be tremendously destructive of our economic priorities and may be tremendously destructive of jobs as that foreign corporation seeks to maximize its global profit as opposed to seeking to ensure that Canadian interests are well served. At the heart of the amendment proposed by the Hon. Member for Essex-Windsor is an assurance that it will ultimately be the Government which has the right to determine what are the appropriate terms and conditions and what are the undertakings which must be given by corporations which seek to invest in Canada from abroad.

● (1240)

As the Bill now stands, we are throwing open the door and effectively saying that any new capital or new technology would benefit Canada. As well, I would note that the purpose clause in effect contradicts the rest of the Bill. If there is to be a review process as the Bill sets out—and admittedly it is a very weak and ineffectual review process—what is the purpose of the review process if the Government in its preliminary statement in the Bill suggests that all increased capital and new technology is *ipso facto* beneficial to Canada? Obviously that makes a mockery of the suggestion that review is important, because review has no meaning if that is the Government's fundamental ideological bias. If nothing else, in order to provide for logical consistency in the Bill with the review process, the purpose clause, that is Clause 2, must recognize that it is ultimately up to the Government to determine what are the appropriate terms and conditions before permitting foreign investment in Canada.

Our concerns with respect to Clause 2 are part of our broader concern about the whole thrust of the Government in this Bill. For example, it is our view that by denying that in effect the Government has a role to play and that the people of Canada have a role to play in determining priorities for investment, the Government is making the review process a mockery and a sham. We believe, to the contrary, that the review process should be more public and more accountable to the people of Canada and to the people who work in corporations, particularly when we are talking about a corporate take-over. I have seen too many examples, both in my own constituency of Burnaby and elsewhere, of a corporation which comes into Canada, takes over a struggling Canadian company, makes certain promises, undertakings and commitments to the Foreign Investment Review Agency, and then proceeds to disregard those promises, to the detriment of the workers in the community and ultimately to the detriment of the community as a whole.

A very large corporation in my constituency was a classic example of that. It took a great deal of effort even to obtain a copy of the written undertakings which that corporation made