

operating in those firms but for the next generation of Canadians. If we are going to have a viable economic base in these areas of Canada that depend so much on one industry, there has to be some degree of Government intervention to be sure those job opportunities will exist for the next generation.

I have a great deal of concern about the direction this Government is now taking on the disposal of Crown corporations. Concerning the idea of transfer of technology, let us contemplate the possible sale of the Crown corporations de Havilland and Canadair. There is no question in my mind that Canadians should be proud of the technology that has been developed in the aviation field. That technology has led to the production of aircraft that will be used in world-wide markets, namely, the Dash-7, Dash-8 and the Challenger jet. These products will have the majority of their sales outside the national boundaries of Canada. Once you have products that can be sold on a world market basis with a world mandate as a result of technology developed here in Canada, you have the guarantee that Canadians can benefit in terms of job security and job creation because of the technology acquired in our country.

This section of the Bill gives me a great deal of concern. It does not require the possible purchaser of one of those two Crown corporations, as an example, to guarantee that the technologies developed at Canadair and de Havilland will not simply be taken up as a sponge with water, removing the assets of those Crown corporations and transferring them to a foreign country. There is nothing in the Bill to prevent that. I think you would agree with me, being the impartial man that you are, Mr. Speaker, that the kind of technology developed by those particular industries that benefit in this case not particularly the hinterland region of our country but mainly Montreal and Toronto would be adversely affected if we did not define in this Bill what a benefit meant. As far as I am concerned, a Bill worth anything with respect to Investment Canada has to guarantee that in the event that we are going to have foreign companies buy out these national companies such as Canadair and de Havilland, that they guarantee there shall not be a transfer of that technology which we as Canadians have paid for in research and development grants, in dollars from this Government, over the past few years.

With respect to the definition of "benefit" in this Investment Canada Bill, there is no guarantee that the jobs presently held by people living in Toronto and Montreal will be retained. I think Canadians would expect that if we are going to have a wholesale change in our Crown corporation structure, at least the Investment Canada Bill should spell out in detail what is meant by benefits and not leave it to some commission or board of bureaucrats to define. I think the fact that we want to protect that technology should not be in the control of bureaucrats but under the control of the political masters of this country who know how so important technology is to their constituents.

Mr. Ian Deans (Hamilton Mountain): Mr. Speaker, as you know, during the recently put arguments by my colleague on the admissibility of certain of our amendments we indicated

Investment Canada Act

that our intentions have been to make more clear the intent of the legislation. We would like to establish some guidelines that can be more easily understood and to set out in the Bill some reference to terms and conditions that might be deemed to be appropriate by the Government of Canada in the interests of Canada when dealing with questions of foreign investment in our country.

I think it is fair to say that we have benefited over the years from foreign investment. I do not think anyone would deny that. There have been areas where the investment itself, though beneficial in the first instance, turned out to be less than beneficial in the long run. The Government has the responsibility now, as it has had in the past, to make sure that the benefit we derive from investment is not simply immediate. The view being expressed at the moment tends to be that whatever we can get now, let us get it and hope that it works well in the future. We should be looking at assuring ourselves, when we do permit investors to enter Canada, whether to purchase an existing company or to set up a new one, that there is a clear understanding of their obligations to Canada and the benefits we will derive will be more than simply a handful of jobs that may or may not have any lasting benefit either to the employees or to the communities in which they locate.

I say that because I have had experience over the last few years in dealing with a number of companies that have come into Canada with great fanfare under the legislation still in effect, namely the Foreign Investment Review Act. At the time companies were establishing their claims before the Foreign Investment Review Act, they often promised all manner of wonderful things. It was not uncommon when reviewing the permission sheet setting out the conditions that had to be met under the various categories to draw the conclusion that this was to be a long-term investment resulting not only in jobs immediately but in development of new technology from which Canada would derive immediate and long-term benefit. We were to begin to see develop within that operation engineering and scientific developments which would cause sort of a mushrooming effect within that segment of the economy. Out of all that Canada was to have opportunities for university graduates and the universities themselves to undertake new courses. There were to be all kinds of useful and probably desirable side effects. However, the promises having been made were about as much value as the paper on which they were written.

● (1220)

Quite frequently, after a relatively short period of time the company failed to live up to its obligations. It failed to provide jobs. It failed to provide new technology. It failed to provide new research and development. We asked the Government at the time, as did you, Mr. Speaker, to require that the company live up to its obligations. Inevitably the answer came back that economic conditions had changed, that the company, after all, knew more about its operations than we did and that, therefore, if it chose not to abide by the terms and conditions established at the onset of its locating in Canada, it was really too bad, that was all that could be said.