

*Investment Canada Act*

where we have a high level of vulnerability in our business community. Most other countries do provide some protection. You have only to look at the Japanese market as an example of that. We have a review procedure without teeth. We have a review procedure that only because of the thresholds established and the vagueness of its terms will simply allow most of the investment that has a potential for some problems in our economy to be unreviewed and not judged as to whether it will protect Canadian workers, communities and Canadian jobs.

We have no quarrel with the other purpose of the Bill which is to promote Canadian investment. It has long been a major responsibility of the federal Government that the powers incorporated in this Act are powers which the Minister now virtually has as the Minister for Regional Economic Expansion. If it is there to be included in the Bill, there is no argument with that. We will be presenting amendments that will be used to identify clearly how the Minister might go about promoting Canadian investment in a more active, aggressive way. However, I do not think it would be proper for us to be presenting to the Canadian community on behalf of the Parliament of Canada a statement of purpose which tries to indicate that the primary rationale for this legislation is the promotion of Canadian investment. When we actually look at the substance of the Bill, parts of it deal mainly with setting out who is Canadian, who is non-Canadian, what the review procedures will be, and what the exemptions are to that area.

● (1125)

We think it is important. The Minister should agree with the logic of our position because he has been a proponent of the view that clarity is important and that we must eliminate uncertainty in the investment community. In the administration of an Act, as he well knows from his own experience, public servants, the legal community and others who must deal with the Bill—all those players who are involved with the administration of this Act—start out by reading its objectives as set out in Clause 2. The present Clause 2 is so vague, general and ambiguous that it is difficult to determine what in fact the Government is trying to achieve other than the general global interest of better investment. Legislation of that kind should not be passed; in itself it should relate to what are the prescriptions within the Bill. Therefore, we believe the amendments we have brought forward in no way deny the purpose of the Bill, in no way contradict the objectives set forward by the Government, but clarify, make more cohesive and more coherent and therefore make for a better piece of legislation. They would also establish more clearly what would be the operating principles by which the Bill would be administered and by which the applications would be made.

That is the purpose of the motion we are presenting today. We hope the Government will give it due consideration. We feel that we are presenting, as will always be the case at report stage of a Bill, amendments with the most constructive and positive point of view; that is, to have legislation which in fact will be more effective and more workable and for the general well-being of the Canadian economy.

**Mr. Steven W. Langdon (Essex-Windsor):** Mr. Speaker, I will begin by expressing a sense of appreciation to the Speaker for his efforts to unravel the great number of amendments which have been presented. What we are attempting to do within the spirit of the Bill as it was passed at second reading is to offer some constructive suggestions about mechanisms by which the Bill could be improved and elements which could be brought into the legislation that will in fact make it more useful.

What underlies the motion we have moved, and what in fact underlies the whole approach we are taking to this Bill, is the sense that direct foreign investment has both contributed to the country and to the problems of the country. Any attempt to deal effectively with this historically important phenomenon in Canada requires that we recognize the potential benefits as well as the potential problems and have a balanced approach which recognizes the significant leadership role of government, a leadership role which our amendment attempts to put right into the purpose Clause of this new piece of legislation.

During the committee hearings on this Bill we heard a great deal from business people about the potential problems which can exist in the context of foreign investment within this country. The former head of a large subsidiary here in Canada came before us and talked about some of the constraints under which he had to operate as the chief executive officer of his particular subsidiary.

● (1130)

Just this past week we have seen the parts producers in the automobile industry make precisely that same point, that left to themselves, foreign subsidiaries tend to constrain the opportunities that are necessary for the Canadian economy to create the jobs and establish the spin-off benefits which are essential to get our economy moving again.

Also, we have had concern registered to us by communities in the course of these hearings. They said to us that the possibility exists that we as a country can see jobs lost in our communities, that we can see workers and suppliers being hurt without a commitment on the part of the Government to take enough leadership in reviewing and encouraging the contribution of foreign investors to this economy.

We have moved the motion that we have to recognize the important role of the Government to set appropriate terms and conditions for foreign investment in this country. It is important to recognize that Government can give a leadership role to foreign investors. The Minister talked about this piece of legislation as signalling a new approach to foreign investors. Part of what we think has to be signalled is a sense of the responsibilities and the kinds of commitments to this community which foreign investors should accept when they come into this country and take over Canadian firms.

We will have a set of amendments which we hope to have included within the Bill. They will involve such important commitments to this country as the commitment to employment equity within firms that are taken over, commitments to economic spin-offs which will benefit all of Canada, commit-