

Investment Canada Act

Reagan rule. While our boy scouts in the Tory Government do their good deed for the United States and open the door to American and other foreign investors, they have the door slammed in their face by United States protectionism mechanisms.

This Tory Government is not just bad, Mr. Speaker, it appears to be a disaster. The reason American or any other foreign investors will invest in Canada is certainly not because we might change the name from the Foreign Investment Review Act to the Investment Canada Act—from FIRA to ICA. The reason investors will invest in Canada is that they believe this country is a good place to invest their money to earn profits and have equity value gains. It will be because of security and profits, not because of the name change or because they must fill out fewer forms. It is because money can be earned in Canada and because this is a safe country with a stable Government. It is a stable country in which to live, operate and invest. That is the reason people will invest. No superficial changes or attempts to sell out this country are going to attract American or other investors. Investment is made because there is an honest dollar to be earned by honest investment in this country.

Despite the nonsensical, misleading assertions and statistics of the Tories before, during and since the election, the amount of foreign investment, direct or by portfolio investment on new issues, is very considerable indeed. Foreigners invest in this country because we have a stable and good country and a good climate for investment. Thank you for allowing me this time, Mr. Speaker.

Mr. Ian Deans (Hamilton Mountain): Mr. Speaker, on this first day back, given the new adornment which I sport, I thought I might rise and say a word or two to get out of the way all of the barracking and hooting that I will have to put up with.

I do not want to make a speech about this so much today as just to share some views that I have about the move that the Government is taking and to try to juxtapose those views with what is happening in Washington at the moment. I said some time ago, on behalf of my colleagues in this Party, that we were vitally concerned about the potential for economic disaster that exists if a country does not have any way of making some determinations about what kind of investment, development and job opportunities will be developed within its own borders. It is equally important to be able to decide when and under what circumstances it is appropriate for foreigners to be involved in investment within our country.

● (1220)

Quite frequently one hears people who are on the conservative side of the argument—not necessarily the Conservative side of the House because I include a number of Liberals in that conservative argument—making the point that Canada does not require any review procedure with regard to investment because American investors will do what is in the best interest of the business community which, by its very nature, is in the best interest of the country. Frankly, there are so many

errors in that belief that it would be impossible to name them all in the short time that is available today.

Let me say that I have never believed that the Foreign Investment Review Agency as we have known it pursued the job that it was given with the kind of intensity that I would have liked. Although that agency did extract commitments about jobs, research and development and the manner in which investors in Canada operated, it really did very little to follow that up and insist that those investors did in fact fulfil their commitments.

All that aside, at least it was a window on investment and gave us a sense of what was happening with respect to foreign investors and how they were performing compared to domestic employers and domestic corporations that were operating within the same general economic area. Therefore, that agency was valuable in that respect because the reports of FIRA could allow one to determine who was buying what, how much was being accumulated and what sectors of the economy were of interest to certain kinds of investors. It was valuable because outside investment must go through a procedure which made such investment public. It also afforded Canadians a vehicle with which to say no if that was the most appropriate action. I believe the Government's present action will eliminate those very useful exercises.

What I find most distressing about this is that when the Government is eliminating FIRA, American investors who are talking about their domestic economy are advising the U.S. Government that it should be restricting Canada's entry into the United States if not by way of investment, certainly by way of sale of products.

Hearings have been held in Washington during the past week which are directly related to the question of free trade, sectoral or otherwise. Those hearings are aimed at deciding what the business community in the United States believes is best for it. I was somewhat surprised to read in the paper that a significant number of those appearing at those hearings are suggesting to the U.S. Congress that it ought not to give in to Canada's request for sectoral free trade.

I know that you had a particular interest in this matter before you were elevated to your lofty position, Mr. Speaker. When these matters came before the House of Commons in the past, it always appeared as though Canada was responding to questions that were posed from the White House with respect to opening up the trade barriers and making it easier for a free flow of trade between the two countries. While the message that was given in Canada by the former Trade Minister or the present Trade Minister was that the United States had initiated these discussions, it appears that the reverse was being said in the United States. United States manufacturers, industrialists and investors who were concerned about the U.S. economy were being told that it was Canadians who were trying to initiate the opening up of the trade lines, reduction of trade barriers and the introduction of sectoral if not total free trade.

I suggest we should wait for the results of the hearings before the Congress in Washington and the eventual negotia-