

workers in a Canadian automobile plant at Windsor, Ontario. The deal was consummated. Cuba was going to buy so many trucks. What happened? Our great friends and allies south of the 49th parallel said no to the Ford Motor Company in the United States. It in turn had to say to the Ford Motor company of Canada, its subsidiary and branch plant, that it could not sell those trucks to Cuba because this would violate the United States' Trading with the Enemy Act. That was a foreign corporation interfering with our sovereignty, the production of our workers. That has occurred on countless occasions.

If anyone here is under any delusion that somehow or other these foreign investors are going to invest in research and technological developments which could be sold from the branch plant in Canada in competition with the parent company in the United States or anywhere else in the world, they are dreaming in Technicolor. In no way will a parent company allow that. It never has, and I do not blame it for that. Why should it cut its own throat in its own local market?

This admission of failure appears throughout this legislation. FIRA was weak enough as it was. This legislation throws out the baby with the bath water. We welcome foreign investments in terms of loan capital or, if any of it is equity capital, it has to be minority ownership. Why do we keep underestimating ourselves and our capacity? Billions of dollars cross our borders every year which could be invested in Canada. Tens of millions of dollars will cross the border overnight. That is because some financial institutions, pension fund or speculators feel they can make an extra one-tenth of 1 per cent in interest on the U.S. dollar market or the gold market. They should be told to be good corporate citizens and invest here because there is so much to be invested here and so much to be done. This supine acquiescence, this blind, hypnotic following of a premise has been proven wrong all the way back to the 1880s. It has been proven wrong every time.

It did not take the United States long to reduce the foreign ownership holdings in that nation. They recovered them through, for example, British war debts from the First and Second World Wars. A lot of that lend-lease and assistance was paid for by giving up those investments to the United States. That was the price the British had to pay for their investments in a foreign economy. That is why it should be loan capital.

I think Motion No. 2 is deserving of support and inclusion in the Bill. From a quick reading I do not have any particular difficulty with Motion No. 1 of the Hon. Member for Winnipeg-Fort Garry (Mr. Axworthy). It tries to strengthen something that should not be there in the first place, but that is all we can do in the Opposition. I hope that those who sit on the government side will remember our bitter experience with foreign investors who owned a major portion of our entire economy. It tied the hands of our national Government and provincial Governments and tied the hands of Canadian corporations in terms of decisions that we can make.

Investment Canada Act

The Acting Speaker (Mr. Paproski): I regret that the Hon. Member's time has expired. I have given him an extra 30 seconds.

Mr. Benjamin: If you gave me permission until now, could I go on for a while longer?

The Acting Speaker (Mr. Paproski): I'm afraid not. I will recognize the next speaker.

● (1710)

[Translation]

Mr. Jacques Guilbault (Saint-Jacques): Mr. Speaker, I also have a few words to say about Bill C-15. I would point out that we on this side of the House are aware of the Government's intentions as indicated by the words of the Prime Minister: Canada is open for business.

First of all, we think that Canada never did stop doing business with foreign countries, it has always been open. That is why we would not want Bill C-15 now before the House to be nothing more than a cosmetic job to create the impression that this Government is more friendly and more open towards foreign countries than the previous administration was.

My leader adequately summed up our concern about this Bill when he said: Fair enough, Canada is open to foreign investors, but it is not up for sale. Our concern is that we want to make sure that, regardless of the Government's intention to ease the rules and the foreign investment review process, the national interest is adequately protected and that foreign investments really benefit Canada's economy, promote research, create jobs, and bring about a climate conducive to the growth of Canadian society. This is why my colleague representing the riding of Winnipeg-Fort Garry (Mr. Axworthy) deemed advisable to introduce an amendment aimed at clarifying our point of view, the purpose or objective of the Bill. We on this side of the House have little use for unnecessary investments—take-over investments, for instance, which do not create jobs.

The fact that a foreign corporation comes here to buy out a prosperous and profitable Canadian company might simply prove that, in the long run, that corporation will skim off all profits and leave us in a precarious situation where those profits will be taken right out of the country for the benefit of the parent corporation shareholders, without one single job having been created here. In our opinion, that should not be the ultimate purpose of legislation to promote foreign investment. Quite the contrary! We have absolutely nothing against a foreign company from any country whatsoever coming here to open a new plant, create jobs, and perhaps give us an opportunity to do research in its field of operations.

The proposed amendment to change the purpose of the Bill seems extremely important to me. If I may, Mr. Speaker, I would briefly compare the wording of both purposes so as to make their extent quite clear. First, let us consider the original