

Foreign Takeovers Review Act

not only invited foreign capital to come in and take us over but by deliberate policy and deliberate laws, we continue to give them the wherewithal to continue their expansion of ownership and control of Canada's economy.

To sum up, in the last four years more than \$200 million have been paid under these programs to foreign-owned corporations, and there are commitments for tens of millions of dollars more that have not yet been handed out. Remember that all of this is in addition to the hundreds of millions of dollars that the foreign-owned corporations that control our minerals and our energy resources receive in tax incentives and concessions, in depreciation and depletion allowances.

Let me say that so long as this policy is continued by this government or by a Conservative government—as I am sure it would be if the Conservatives came to power—all this talk about trying to protect Canada's independence, is, in my profound conviction, just words that mean nothing. We invite these publicly owned corporations to use public funds, the money of Canadian taxpayers, to go on expanding their control of the economy, and they take advantage of it now as they will in the future. I say as my first suggestion that the government must put an end to this give away to corporations controlled outside Canada and use the money in the creation of jobs in Canadian controlled enterprises, whether under public auspices or in private enterprise, or a combination of the public and private enterprise.

There are merchants of doom and gloom who claim that regaining control of our economy would lower our standard of living. Indeed, this is what the minister suggested in his speech today. He suggested it gently but obviously. I reject that proposition. I cannot accept it because I believe it is not true. I just cannot believe that a people like the Canadian people, who hacked this nation out of a rocky wilderness, are unable at this stage of this country's development to fend for themselves without the help of so much foreign capital, foreign managers, and foreign know how. Indeed, some of our most reputable economists have clearly shown that there is enough capital in Canada, there are enough savings in this country, for us to develop our industry and to buy back some of the important industries that are now in the hands of outsiders.

There is simply no evidence to suggest that we would lose jobs if we insisted on controlling our own economy. On the contrary, there is much evidence that foreign ownership of our economy costs Canadian jobs every year. For example, recently we were threatened with a shutdown of the Ford plant in Canada because Ford in the United States had not complied with American regulations. Please note that Ford did not break any Canadian rules, yet its Canadian plant could be shut down along with the American plants and for no other reason than that it is controlled from outside Canada.

Our economic dependence on the United States has also made us particularly vulnerable to DISC and other American protectionist measures. As Canadians, we should note that these protectionist American measures affect all trading nations and affect Canada as a trading nation, but where Canada is concerned it affects us much

more profoundly because DISC threatens our well-being not only through a reduction in trade but even more directly it threatens Canadian jobs. Branch plants of American controlled corporations will obviously be tempted and induced to reduce their operations in Canada and to concentrate their production in the United States under DISC. Our economic dependence on the United States therefore makes us doubly vulnerable, perhaps ten times more vulnerable to American protectionist policies than any other country that is concerned only with its trade to the United States and across the world.

If I had the time I could cite numerous other examples, particularly of shutdowns of branch plants in this country in the last few years that have cost Canadians thousands of jobs now and will in the future. This is the kind of thing that foreign ownership means in terms of the life of the people in the pulp mill in Bathurst that the hon. member for Fundy-Royal (Mr. Fairweather) mentioned or the people working under any other foreign-owned corporation in this country. The fact is that their destiny, their jobs and their future are not under Canadian control, not even under government control so long as the power of the foreign corporation remains.

I make a second suggestion as earnestly as I can, and that is that Canada's present foreign exchange reserves of almost \$5 billion worth in both gold and U.S. currency lying idle in the vaults of the Bank of Canada should be used to begin the job of repatriating our economy, buying into some key industries in the resource sector and in other sectors that will have a key role in our future development. This is what we ought to use our foreign exchange reserves for now. I urge the government to take such a step immediately in order to plug the gaping holes it has left in its foreign ownership policy.

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Third, I urge that the government should strive to force the interest rates in Canada down to half a point, or perhaps a full point below those in the United States. So long as we play the game that the government and the Bank of Canada have played for years of deliberately keeping our interest rates above the level of those in the United States, then so long are we inviting and inducing foreign capital to invade our country. I repeat that my third suggestion is that we bring interest rates down below the American levels. This would not only slow down the inflow of foreign capital but it would have significant social consequences in Canada. It would make domestic capital far more easily available for housing and for all the other needs of the Canadian people. It would also work to reduce the foreign exchange value of the Canadian dollar, thus helping Canadian exports in international markets and creating more jobs in our export industries. This is another way in which we should attack the problem of foreign ownership.

Fourth I urge, as we have suggested for a long time, that the tax and other concessions granted to the oil and mining industries, which are overwhelmingly foreign owned, should be withdrawn both in order to stop this concentration in foreign hands of our resource industries, which are capital intensive and do not create sufficient jobs in this country, and in order to make our tax system a great deal more equitable. I know that there are some