

Mr. Speaker, the motion that we are discussing today has no basis in fact or in logic. Let me once more, as I have in this House before, make the record clear.

I am informed that there is no, and I repeat no, U.S. demand for unlimited or unfettered investment freedom in Canada on the negotiating table. If there were, it would be rejected. We would refuse. Our negotiator knows that. Any such arrangement would have to be reciprocal, and the U.S. itself is in no position to deliver. Indeed, the U.S. itself limits foreign investment in certain key sectors. It restricts access in such areas as aviation, broadcasting and telecommunications, to name but a few.

The trade Bill which recently passed the American House of Representatives calls for a review of foreign investment on the grounds of "national security" and "essential commerce". That Bill would empower the administration to block those investments which might have a negative impact in those areas. This is symbolic of the growing protectionist mood in the United States.

My Cabinet colleagues, including the Prime Minister and the Secretary of State for External Affairs, Mr. Clark, other Ministers and myself, have repeatedly said in this House and elsewhere that any free trade deal with the United States will protect our political sovereignty and our cultural identity. In fact, just two months ago this House overwhelmingly passed a resolution saying just that.

Part of that political sovereignty, of course, is to make decisions in the best economic interests of Canada. Unlike those in the Opposition, this Government does not believe that foreign investment is automatically evil. We believe that foreign investment can create jobs, which we all need in Canada. That is why we dismantled the National Energy Program. That is why we changed the Foreign Investment Review Agency to Investment Canada and welcomed foreign investment from all countries to Canada. Last year we had record levels of foreign investment. I spend a lot of my time, as do my Cabinet colleagues, travelling to countries saying, please bring your money to Canada, invest and create new jobs for Canadians.

The more accurate way to describe what is happening to the economy is to state that 60 per cent of the investment transactions recorded by Investment Canada were acquisitions, and 40 per cent were new businesses. The Opposition has focused, of course, on the asset values and not on the business values. Acquisitions are usually made up of businesses with well established asset bases. Business values reflect only the modest short-term start up costs of new businesses which are established by foreign investment. They do not reflect the growth potential and the employment potential of a new business.