

bill to improve it, move an amendment to clause 5 to enable the audit to take place, and move an amendment to clause 14 that would require review of any person introducing a business in the fossil fuel area, and as long as that business was more than, say, 15 per cent foreign-controlled, it would be subject to review. I do not know if I am naive, but I was certainly impressed and heartened by the remarks of the government leader today when he said "I want all the people in this chamber to know that our government is not perfect."

• (1550)

Some Hon. Senators: Hear, hear.

Senator Sinclair: "We are willing to take action on sound suggestions and proposals. We are interested in improving legislation."

Honourable senators, I feel that the suggestions that I have made will improve the bill. It is worthy of Senator Kelly's giving it some thought. And if he were to tie a couple of those little blue ribbons around the suggestions I have made when we send the bill back, I, in turn, would suggest to all my friends on this side that they abstain from voting and allow the Conservatives to carry these amendments to that other place unanimously so that no "bagmen," no "has beens," no people who are part of "the Socialist axis" are in any way trammelled into this thing.

Some Hon. Senators: Hear, hear.

Hon. C. William Doody (Deputy Leader of the Government): Honourable senators, it seems to me that honourable senators opposite have had many years to come up with reasonable amendments to the Foreign Investment Review Agency and they were not forthcoming. It seems unlikely that they would be presenting them now in any spirit of comradeship and good fellowship. Nevertheless, I certainly will pass the message on to Senator Kelly, and if he wants to help Senator Sinclair remove himself from the Socialist axis, I am sure that he will be delighted to do so. I can certainly understand his chagrin at the stigma because it is not a description that I would like to have referred to me and it is not one that I would accept willingly. The "cabal" bit I will take and the "coterie."

Senator Steuart: What about "has beens?"

Senator Doody: I missed that remark and I don't want to miss one single word that the honourable gentleman says because we hear them so rarely. Please, for the record repeat it. No? Another first for the Senate—Senator Steuart is shy.

Honourable senators, this has been a very interesting day. This morning I had the benefit of sitting in on a meeting of the National Finance Committee and I listened to Senator MacEachen questioning witnesses on the Bretton Woods Agreements and all the various agencies that the Government of Canada uses as foreign aid vehicles. It was an intriguing experience. He told us that it would be tedious, but it certainly was not. It was most informative. Now we have another expert in his own particular field advising us this afternoon on Bill C-15 respecting investment in Canada, and that in itself was a

learning experience in some areas and perhaps not so erudite in others.

I was very interested in the branch plant reference made by Senator Sinclair. It sounds like branch plants are peculiar to Canada or are exclusively Canadian and I do not think that is the case. I think that you will find them competing with each other all over the United States and, indeed, all over the world. Wherever there is a major international company, you are going to have branch plants in one place or another. In any event, I have been told that the branch plant is a declining phenomenon wherever it previously existed and now foreign-controlled companies are seeking and going for world product mandates. I have been told that this is happening in Canada as well in other parts of the world.

Now these branch plants, as they were called, do not have to rely on the rather limited Canadian market for their product but will be seeking a larger worldwide market, which makes good sense. They did serve a purpose in their time and in some areas are continuing to do so. If they produce products which now have to be imported into Canada and in doing so provide jobs for Canadians, then surely branch plants are not to be sneered at.

I should like to mention one other item before I get into my own personal theme, which is FIRA and its application to my particular region, namely, Senator Sinclair's problem with the shift of decision making from cabinet to the minister. The fact that it is the Honourable Sinclair Stevens at this point is probably irrelevant since it will be applicable no matter who the minister happens to be. I look upon that as a very favourable change. One of the problems with the previous act was that decisions would be lost in cabinet secrecy. A firm that was applying for an opportunity to become active in Canada never could find out the reason for its rejection and, in many cases, there was no rejection, but the application was lost in the foggy bottom of the bureaucracy. Now the minister is accountable and the minister will have to say why he is not acting on the application either positively or negatively. In any event, as he probably inferred from the comments that I made to date, I take great pleasure in seeing the changes in that FIRA bill. It was one of the great bugaboos of federal-provincial relations particularly as it related to my province. One of the major discouragements, barriers and disincentives to investment in my part of the world was the FIRA legislation or, at least, the unfortunate piece of legislation that created the Foreign Investment Review Agency. I do not think there is any doubt at all that the review mechanism was a major deterrent. It can truthfully be said, and I agree, that the objectives of the FIRA legislation and of the agency itself were laudable. I do not think that anybody would object to Canadians controlling their own economy and restricting investment in Canada to Canadians. It sounds great to all of us to say that Canadians should be able to direct their investment flows within our own country and do our own thing in our own way. It sounds great, but I am afraid that as far as my part of the world is concerned, it is a Utopian dream. It does not recognize the realities of investment in this country. The major

[Senator Sinclair.]