

*Foreign Investment Act*

against another as each vies for foreign funds or fights over different policies.

Amendment No. 6, which is also in the name of the hon. member for Central Nova, seeks to provide information to the province when an acquisition is to be screened. I think that is reasonable and that our party may support it. I do not know why the minister cannot support it, and I think he should take another look at it. What the hon. member for Central Nova is trying to do is to ensure that provinces are notified when a particular acquisition is screened, which I think should be the case. The provinces should be provided with the maximum amount of information regarding the activities of the screening agency in their area; I think all hon. members would agree that is necessary.

With that, Mr. Speaker, I appeal to hon. members that we try to strengthen the bill as we go along, not weaken it. As I have said, we have enough foreign capital in this country to develop Canada; indeed, we are a net exporter of capital. As the former member for Duvernay often said in this House, through tax incentives to the mining industry and other industries we encourage the development of capital intensive industries to the detriment of processing and manufacturing in Canada. It is in processing and manufacturing industries that the jobs are found, not in the natural resource industries.

One good example of this is the mining industry, or in gas, oil or petroleum refining. Indeed, there are many examples in western Canada, such as in the food and agricultural products industry, where instead of processing products on the Prairies we ship them out to be processed elsewhere. The multinational corporations also have a tremendous impact on the economic policies of this country and of any other country in which they operate. In today's energy crisis we see a company like Standard Oil of New Jersey or Exxon making the decision as to where oil should be supplied, since they control the majority of the oil fields in Venezuela and certain other countries. We also see the huge multinationals making decisions that jeopardize jobs in various regions of this country.

For example, the hon. member for Nickel Belt (Mr. Rodriguez) has often spoken in this House of how decisions of the International Nickel Company affect the economy of his area. Quite often the company cuts back in its plant at Sudbury because it wants to divert funds and expertise to other parts of the world, such as Caledonia, Indonesia and Guatemala, as was the case recently. As a result a number of people were laid off in Sudbury, despite the fact that the International Nickel Company of Canada supplies about 55 per cent of the nickel exported to non-Communist countries and in 1970 made a net profit in Canada of \$102 million. In other words, they used some of the profit made in Canada to expand elsewhere, to open new plants in other countries and exploit the people and resources of those countries.

● (1610)

We suggest it is about time we gained control of our economy and firm control of all industry in this country in the fields of natural resources, finance and others involved in the development of this nation. I suggest that we have

[Mr. Nystrom.]

enough capital to do so. We are now exporting capital and we should stop our banks from selling us out. This can be done in the same way as it was done by Sweden and Mexico, through the adoption of foreign ownership laws. The United States was also for some time, dominated by other countries, but sometime ago their authorities there took steps to assure the control of their own economy, and today they dominate many other countries around the world.

**Mr. John Rodriguez (Nickel Belt):** Mr. Speaker, this bill intrigues me. While I am not too enamoured with it, as I do not think it goes far enough or does enough to satisfy me personally, it did antagonize many Conservative members of the finance committee. I feel if it can antagonize such wealthy bluebloods it should have something for which I can find some support.

The hon. member for Central Nova (Mr. MacKay) suggested this bill would give the federal government the power to screen foreign investments, and as a result could be detrimental to the poorer regions of Canada. Indeed, I have travelled around Canada somewhat in the past 12 years. When I was in the eastern area recently, I found there was no screening of foreign investment and I did not note any improvement in the standard of living of those people there. Indeed, it might be said that most of those provinces have suffered from Conservative administrations during that period of time. I can argue very vociferously that any kind of foreign investment control or screening does not interfere in any way with investment. Let me make it clear before going any further that I do not necessarily accept the view that because one is a Canadian capitalist as opposed to a foreign capitalist he is more acceptable to me. I do not go along with that view.

Having set the record straight for what I am going to say from here on, let me point out that four countries in Latin America, Chile, Columbia, Ecuador and Peru, two years ago approved a common investment guide in respect of foreign capital and technology. This involved very stringent controls on foreign investment in these countries. The Council of the Americas, a very powerful business group, ranted and raved against these restrictions for the very same reasons pointed out by the hon. member for Central Nova, namely that these restrictions would be to the disadvantage of underdeveloped areas. In spite of all these arguments, the United States businessman is still seeking South American resources in a very forceful way, and is exploiting them at reduced profits. A foreign investment in these countries in the areas of mining, as well as oil exploration and extracting, cannot continue for a period exceeding 20 years, when foreign companies no longer own the resources and eventual control must pass to domestic companies.

The very problem we are faced with today in respect of energy has largely resulted because of the fact that the Government of Canada has never moved toward the takeover of our natural resources, or toward Canadian control over them. We have left, to the whim and fancy of foreign producers and international cartels, the job of providing our people with oil. In the field of manufacturing, these Latin American countries have also followed the policy that foreign control enterprises must permit at least 57 per cent capital participation by domestic investors, and until