

Foreign Investment Review

because the bill appears to do something about the problem, when I submit that it will accomplish nothing significant in respect of retaining our cultural or economic independence. I say this because the extent of the problem is overwhelming.

I hate to bore parliament with the dreary litany of statistics in respect of foreign ownership, but a couple of items have not been raised. One is that there is more foreign ownership in Canada than in all the European nations combined. Second, we have the highest per capita foreign direct investment of any country in the world. In terms of percentages which have been gone into, 99.9 per cent of the petroleum industry is controlled by foreign investment. This figure is 97 per cent in respect of the automobile industry, 62 per cent in respect of mining, 83 per cent in respect of oil and gas, 90 per cent in respect of the rubber industry, 77 per cent in respect of the electrical apparatus industry, 90 per cent in respect of the computer industry and 92 per cent in respect of the aircraft and aircraft parts industry. What may be more significant is that these are the growth areas in which we find the new technologies which drive Canadian competition to the wall. What happens is that our Canadian companies are not being given the capital which is necessary in order to compete with this American multinational trend.

Let us have a look at what the bill would do to reduce this trend. I suggest that it allows this government to sit by and watch this process continue. It is less a screening agency than a welcome wagon. Let us not forget that this bill is not particularly significant in its present form. The key weakness in the bill is that it fails to limit the expansion of existing foreign-dominated corporations. By far the greatest growth in the foreign sector is through the expansion of existing subsidiaries. It has been noted that the growth is almost entirely financed through Canadian capital, either through loan capital or annual profits. The failure to cover this situation in the bill avoids the real problems which are developing and which have been developed in the economy over the past 30 or 40 years. I submit the bill must go further in terms of the export of raw materials. I come from a province where recently during a provincial election this was the number one issue. On this issue, the party which I represent was elected to office. That was the major platform. The people were waking up to the situation.

[Translation]

The Acting Speaker (Mr. Boulanger): Order. What I have to say may not be very pleasant but the Chair must take this opportunity to point out to hon. members, and particularly to the one who now has the floor, that a certain behaviour is expected in this House. Conduct, decorum are prescribed by the Standing Orders; the hon. member should stand up like all other hon. members to address the House.

[English]

Mr. Leggatt: Mr. Speaker, I assume that you have some objection to my placing my foot on the chair. I will be happy to conduct myself in a parliamentary manner.

Mr. Baldwin: The game here is not to put it into your mouth!

[Mr. Leggatt.]

Mr. Leggatt: I thank the hon. member, Mr. Speaker. I am sure he was being kind to a new member by admonishing me for having put my foot in my mouth rather than on the chair. I shall keep your admonition in mind, Mr. Speaker, but I think we should try to be informal in this place and when standing should attempt to be as comfortable as possible.

I was talking about the export of raw materials and the fact that the government of British Columbia recently changed over this particular issue. What I am suggesting to this government is that unless it wakes up to this issue, the government of this country will change. We cannot continue to export our jobs along with our raw material. There, again, I suggest that the bill is inadequate.

The other area which to me seems to involve something close to a national scandal is the way in which we continue to finance takeovers through the use of our own resources, taxes, gifts and grants. Over a three-year period DREE gave more than \$42 million in grants to foreign-owned corporations. It gave \$6 million to IBM, \$15 million to Proctor and Gamble. How does a Canadian corporation compete with that sort of thing? I submit this kind of nonsense must end. It is even worse of course when one looks at the giveaways in respect of research to foreign corporations in this country so that they can more efficiently and more effectively compete with Canadian corporations and drive them to the wall or out of business. As much as 80 per cent of the expansionary funds the United States corporations use in this country are Canadian in origin. I repeat that we must be the most stupid people in the world to continue with this kind of nonsense. Let us not be afraid of tough foreign control legislation. The rest of the world has not been afraid of it. We can learn something from Japan, Sweden and France as well as Mexico which has begun to cure this problem in respect of its economy.

The hon. member for Athabasca (Mr. Yewchuk) indicated in his remarks that no one from this part of the House, the New Democratic Party, mentioned the labour movement in the context of Canadian independence. I am very happy to raise that particular subject because I think it is one which is important. However, let us keep it in context. The question of autonomy in this country is far less significant than the ownership and control of our natural resources as well as our business corporations. The international labour movement does represent a problem. I can give an example from my own riding. The local union of a distillery, Seagrams, the Distillery Rectifying Wine and Allied Workers of America, voted 96 per cent in favour of rejecting the recommendations of their international organization whose headquarters is in New Jersey. Their vote was invalidated in New Jersey on the somewhat spurious ground that it had been counted before it reached the international office. All these workers in New Westminster were seeking parity with the workers in the Hiram Walker Plant in Ontario. They were seeking some equality for their female workers and equality in respect of benefits now paid in the province of Ontario. This international union, which looks surprising like a company union, refused to accept their legitimate ballot count.