

Investment Canada Act

lost 17,487 jobs. There were three other foreign owned companies, or 6 per cent, with a job loss of 550. That is not the way we should be moving in this country, Mr. Speaker. Very clearly Canadian companies do better. They have a greater incentive to keep their people working. It is their lifeblood, and because they are Canadians they feel strongly that they should do so. But someone who lives across the border has less loyalty to a company in Canada than a Canadian does.

Earlier today I raised with the Minister of Regional Industrial Expansion (Mr. Stevens) the situation in Corner Brook where we have Kruger Incorporated, with FIRA's permission, acquiring the assets of the Bowater mill. In fact, it was this Government and this Minister who gave that approval who also provided some fairly hefty financial assistance, along with the province, to allow Kruger to acquire the assets. But it seems that the rules are changing. Kruger is now saying to the Premier of Newfoundland that it will not go ahead with the deal unless that Government is prepared to bring in retroactive legislation to change the labour standards laws. That Conservative Government is doing that and, as we see have seen today, yesterday and the day before, the debate is continuing long and hard in that province as the Opposition tries to prevent this very regressive situation.

I asked the Minister just how far this Government was prepared to go in order to attract foreign capital. Would the price we will have to pay be the elimination of things like child labour laws, minimum wage laws, health and safety laws and environmental protection laws? I found his reply to be ironic. He referred to it as garbage. I was quite pleased to hear that, Mr. Speaker, but the scary part is that those suggestions have not as yet come from the foreign-owned companies; those suggestions are coming from organizations like the Canadian Manufacturers' Association in presentations to a government commission, from the Fraser Institute, and from Canadian chambers of commerce. If Canadians are suggesting that kind of regressive step, what are we going to get from the folks in Alabama? They are going to want right-to-work laws, which is the right to eliminate unions. That sounds fairly similar to what is happening in Newfoundland today.

Let me read from an editorial in the *Calgary Herald* dated October 22, 1984 with reference to the Canadian Manufacturers' Association. That business organization says the federal Government could end the universality feature of programs such as family allowances and re-examine such things as minimum wage laws, child labour laws and health and safety standards in the work place. We do not want that kind of Canada, Mr. Speaker. We want a Canada where we have a direct say. While we recognize that there is a need for an influx of capital, both from Canadians and from non-Canadians, it has to be done through a set of rules we can live with. We do not want them coming in for quick fixes and then running back across the border when things get tough again. We need stable industries with a commitment to Canada.

Foreign-controlled companies do not spend anywhere near as much as Canadian companies do on research and development, a key source of economic growth and productivity

increases. Let me give you some examples. This is the ratio of research and development over sales expressed as a percentage. For companies with less than 50 employees, it is 11.2 per cent for Canadian companies and 3.3 per cent for foreign companies. For companies with from 50 to 100 employees, it is 10.1 per cent for Canadian companies and 4.3 per cent for foreign companies. For companies with from 100 to 200 employees, it is 9.1 per cent for Canadian companies, 3.7 per cent for foreign companies. For companies with from 200 to 500 employees, Canadians do it at 8.4 per cent and foreigners at 3.4 per cent. For the companies which you would assume have the most bucks, those with more than 500 employees, it is 10.3 per cent for Canadian companies, and all the foreign controlled companies can do is to come up with 2 per cent. They are siphoning off that money and taking it home where they create jobs, not in Canada where jobs are needed. Foreign companies imported 22 per cent of their sales, five times that of Canadian-controlled companies. In manufacturing, they imported 30 per cent of their sales, four times that of Canadian companies. They are basically extensions of their parent companies whose activities are directed at the Canadian market only and not geared to the exports which we badly need.

Let us talk about the human side. I have talked about the lay-offs that occur when branch plants pull up stakes and go back home. What does it mean in human terms? I would like to read from a poem from the metropolitan Toronto Social Planning Study entitled *Lay-offs: Job Retention As a Policy Issue*. It was written by 13 year old Sharon L. The poem is entitled "My Dad Is Unemployed". It says: "My dad is unemployed and I hate it. It isn't his fault he hasn't a job. He tries hard enough. His company had to let somebody off. Guess who got picked? I hate his employers for what they did, for the quarrels and tension, but especially for making my dad feel so useless, unwanted, unneeded. I hate them for it." That is what foreign investment in this country means, Mr. Speaker, when we do not get a handle on it.

● (1540)

That is what it means when we do not ensure that there are some rules for foreign-owned companies to live by in terms of creating more jobs in this country and ensuring that they do not just extract our resources, take a quick shot at the market, wipe out a few competitors and bail out.

One of the messages I have heard in this debate from government Members is that they are concerned that Canadians are not investing in this country. I share their concern. Instead of developing incentives for Canadians to spend their savings in order to create jobs or for Canadian corporations to invest in Canadian products, the Government is looking abroad.

This should be called the popcorn Bill because the Minister seems so concerned about the businessman who wanted to come here to establish a popcorn stand for \$6,000. If there are such possibilities for that business, why is there no Canadian investing in it? Why is it necessary to encourage the Ameri-