

Investment Canada Act

have access to Canadian quotas of cod because they have been reserved for Canadian fishermen, to buy processing plants in single industry towns. Having bought those plants, they can then demand a share of Canadian fish in Canada's offshore. They can then demand to be allowed to bring factory freezer trawlers into the offshore.

● (1220)

The purpose of the amendment moved by my colleague, the Member for Winnipeg-Fort Garry (Mr. Axworthy), is to make it clear that the purpose of Bill C-15 is to show that we do welcome foreign investment that contributes to the economic lifeblood of this country. We welcome foreign investment that brings new technology to this country and explores heretofore unexplored areas of resource development in this country. We welcome foreign capital from investors who will treat this country with dignity and respect its value and culture. That is the purpose of this amendment.

The Hon. Member across the way smiles and mentions John Sheehan. Perhaps that is an example of a kind of foreign investment that he wants. Perhaps Members will recall that last time that John Sheehan became involved in a venture in this country at the insistence of and involvement by the Tory Government in Newfoundland under former Premier Frank Moores. The result was the biggest single corporate failure in this nation's history—\$600 million—that precipitated the biggest single corporate failure in the history of Japan. It left the people of Newfoundland holding the bag for \$70 million. It left the British Export guarantee department holding the bag for \$110 million. If that is the Hon. Member's idea of what foreign investment should be attracted by this new Bill, then we in Newfoundland want no part of it.

Canadians who live in single industry towns where their culture and traditional lifestyle is dependent upon the resource sector are very worried because this Bill and its intent as expressed in Clause 2 makes it very clear that the Government has no concerns whether foreign investment creates new jobs or new technology. The Government has put Canada up for sale and no wise investor could be blamed for using the provisions of this Bill to cherry pick and come to Canada and pick those ripe industries and walk away from those that are not quite ripe. That is what will happen and the Minister has been told that.

I have given the fisheries as an example of an area sensitive to foreign investment. This Bill will allow foreign capital to come into the country to take over the most efficient and productive plants in small towns. While these take-overs do not seem to add up to much or give cause for concern when taken individually, the aggregate of 200 or 300 of such purchases could lead to a dominant position in the fishing industry.

Let us consider a Newfoundlander, Nova Scotia or Quebecker on the North Shore who lives in a small village where the fishery has been his lifeblood for hundreds of years. His way of life, his culture and history has been built on that industry. His greatest fear is that a small company that operates in those small villages will be taken over by a foreign concern.

Once that plant has been taken over, that company may claim to have a right to the quota offshore and instead of processing the catch in the plants of the small village it will put a freezer factory trawler offshore to process the fish there. As a result, the plants that have operated in these small villages will close down.

The people of Grand Bank have nightmares that Grand Bank will not be a vibrant fishing community in the future with colourful people and an interesting history but simply a boat named *Grand Bank* floating offshore. Where 400 people once made their living there, perhaps only 15 or 20 will make their living in this town.

This Bill opens the back door to foreign interests who are not interested in owning fish plants or employing people in small villages but whose only interest is obtaining the fish quotas that were unavailable to them up to this point. I urge Hon. Members to open their eyes, unlike the Minister, to be sensitive and show that they understand the regional nature of this country, and to support this amendment.

Hon. Bob Kaplan (York Centre): Mr. Speaker, the review of foreign investment is a very important principle that was established by the former Government back in the 1970s after a very considerable amount of study. I found it amusing to listen to the remarks of the Minister of Regional Industrial Expansion (Mr. Stevens) and his attempt to lump the Liberals and the NDP together as being responsible for this measure. I am proud that the Liberals are associated with this policy.

I am reminded of the original NDP attitude toward foreign investment review. When I was a younger Member of Parliament and the recommendations of the Gray report that led to this original Foreign Investment Review Act were brought forward, I recall the attitude expressed by David Lewis who was the then Leader of the NDP. It was that foreign investment review was a kind of smokescreen because there is no difference between a Canadian capitalist and foreign capitalist; they all want the same thing, which is to exploit ordinary Canadians.

We defended foreign investment review on a ground which I think deserves repeating. We believe there is a difference between Canadian ownership and foreign ownership. We do not agree with the NDP view that there is no difference between a foreign capitalist and a Canadian capitalist. That opinion animated our approach to foreign investment review.

On the other hand, we were certainly not opposed to foreign investment, but believed that Canadian investment was preferable since developing our own economy in order to have full autonomous control over it and to become a world-class economy in many industries would be better. We also recognized that with the opportunities in Canada and the high standard of living to which Canadians have become accustomed and to which we as parliamentarians should be dedicated to continuing, it was important to recognize that there should be a role for foreign investment in our country. We wanted our legislation to achieve the maximum benefits from any foreign investment that was made in Canada and that was the spirit in