

for the absentee owners. The President of the United States, speaking in this chamber, made this very point. But surely it should not have been necessary that that point be made by the President of the United States in this House. Surely, every member should have accepted it long before he appeared before us. The President of the United States pointed out that in its early years his country also was dependent upon European capital, but that it had adopted policies to develop its own industries and to safeguard its own independence. He pointed out that his countrymen realize that Canada must do the same. The American government does not want a satellite Canada; the American government wants a strong, friendly and independent Canada. This was the very conclusion reached by our committee in its 1970 report.

In addition to this lesson from history, certain specific dangers are clear. If American ownership of our vital manufacturing and resource sectors continues to increase, the result, bearing in mind the closeness of all our other relations with the United States, will inevitably be a high degree of integration of the Canadian economy with the American economy. This is not similar to one country joining other countries of roughly equal size in a common market. This would not be similar to the United Kingdom joining Europe in the Common Market. The American economy is about 12 times as large and powerful as ours. If we have integration of the Canadian and the American economies, this will mean that, in effect, the Canadian economy will become part of the continental American economy. The result of this will be that Canadians will not be able to retain a reasonable degree of control over their economic destiny. This is of prime importance to Canadians. Canadians want to have jobs; they want to be able to earn enough by their own efforts to support themselves, their wives and their families, and all that depends upon the economy. Canadians want to control their own economy, they do not want their economy and their jobs controlled by large multinational corporations or by impersonal forces operating from another country, no matter how benevolent and friendly that other country may be.

If the Canadian economy becomes part of the American economy, it will mean that our economy will inevitably move up and down with the American economy. If the United States suffers deflation, we will suffer deflation. If the United States suffers inflation, we will suffer inflation. If the United States suffers from unemployment, we will suffer from unemployment, and there will be nothing that this Parliament can do about it. If some members say "So what's new? We can't now" I say that it is time for a change.

Some hon. Members: Hear, hear!

Mr. Wahn: We may have already become too dependent upon the American economy, and in that event it is time for a change in our policies. It is time to develop a greater degree of Canadian independence, a greater degree of control over our own economy.

Some hon. Members: Oh, oh!

Foreign Takeovers Review Act

Mr. Wahn: I hope I have explained adequately that I was emphasizing the necessity for a change in the policies governing the operations of our economy.

Mr. Fairweather: Same thing.

Some hon. Members: Hear, hear!

Mr. Wahn: Our committee made that point in its report when it said:

The danger facing Canada is not one of political absorption by the United States; the danger which Canada must guard against is that it will drift into such a position of dependency in relation to the United States that it will be unable in practice to adopt policies displeasing to the United States because of the fear of American reaction which would involve consequences unacceptable to Canadians—

The committee has concluded that, in addition to maintaining political independence, Canada must also maintain a sufficient degree of military, economic and cultural independence so that it will, in practice, be able to make the independent decisions which constitute the vital characteristic of an independent nation.

If we do not retain a reasonable degree of economic independence, I have no doubt we will continue to maintain the appearance of political independence. The provincial legislatures will continue to meet and debate in the provinces; this House will continue to meet and debate here and no doubt will continue to pass laws. But the vital economic decisions affecting the average Canadian will not be taken in this House or in the provincial legislatures but at meetings and by institutions controlled beyond our own borders. That is the real importance of this debate. There is a real danger here, and that is why it is urgent that we should have a clear statement of government policy on foreign investment and foreign ownership and control.

I believe that most Canadians would support the bill now before us if they could be assured that it is merely one measure in an evolving program to assure Canadians of effective control of their own economic environment, one of a number of measures such as the legislation now in place relating to banks, insurance companies, trust companies, the National Transportation Commission, the CRTC, the Canada Development Corporation, and many others. But Canadians will feel nothing but dismay if the government puts this measure forward as its final statement of policy in this field.

• (1630)

This particular bill has been presented by the government in response to the demand by members of the House, and by Canadians generally, over an extended period of time for a comprehensive statement of policy on foreign ownership. There is a real possibility, therefore, of misunderstanding. To avoid this danger, it is most important that the government indicate clearly that this particular bill is in fact merely one measure in such a continuing program to regain control of our economy. If this is true, then this fact should be stated clearly in this bill.

Mr. Pepin: That was in the very first paragraph of my speech.

Mr. Wahn: The first paragraph is very useful because it does recognize, as the minister has indicated, that there is