

The Standing Senate Committee on Banking, Trade and Commerce

Evidence

Ottawa, Wednesday, May 23, 1973

The Standing Senate Committee on Banking, Trade and Commerce met this day at 10.45 a.m. to give consideration to the document entitled "Foreign Direct Investment in Canada."

Senator Salter A. Hayden (Chairman) in the Chair.

The Chairman: Honourable senators, the gentleman on my immediate right is Mr. R. D. Gualtieri, of the Department of Industry, Trade and Commerce. On his immediate right is Mr. F. E. Gibson, of the Department of Justice. If necessary, they may make reference to others from their departments who are available here.

Mr. Gualtieri, the first thing we would like you to do is tell us about yourself, your background, and how you come to be here. True, you were invited by me to come, but there were reasons for inviting you and you might supply the committee with that information.

Mr. R. D. Gualtieri, Special Adviser on foreign investment to the Deputy Minister, Department of Industry, Trade and Commerce: Mr. Chairman and honourable senators, thank you.

Before proceeding, perhaps I should take the opportunity to introduce my two colleagues at the back of the room. The gentleman wearing glasses is Mr. Duff Friesen, also from the Department of Justice. He has been helping me deal with the numerous representations that we have been having on the bill since it was introduced in the House of Commons on January 24. Beside him is Mr. Ron Pike, who is at the moment in the Investment Analysis Branch of the Department of Industry, Trade and Commerce.

I am not sure, Mr. Chairman, how far back you want me to go in giving you my background.

The Chairman: I understand you are not a lawyer.

Mr. Gualtieri: That is correct, nor am I an economist; and you may wonder, then, why I am dealing with the foreign investment issue.

My background is in philosophy and perhaps that does equip one to deal with a whole range of issues. After obtaining a degree in philosophy at McGill University, I went to Oxford where I did a P.P.E. Then I moved on to the Department of External Affairs where I spent seven years, including a posting to Yugoslavia. At the end of that period I concluded that most of the important issues facing Canada were domestic and internal and that, if one wanted to be where the action was, in a sense one should move to a domestic

department. I moved to the Department of Trade and Commerce, as it then was, subsequently the Department of Industry, Trade and Commerce, to work on trade policy matters, and I became the head of the GATT division, dealing with international trade policy questions.

As an extracurricular activity at one point I did a little paper on joint direct investment in Canada. This was at the end of 1969, at the time that the government was starting to examine this issue as one of the priority problems it had identified after the 1968 election.

Senator Desruisseaux: Excuse me. Is that paper published?

Mr. Gualtieri: No, it is not. It was an internal, confidential document.

On the basis of the work that I had done when the Honourable Herb Gray was asked to prepare a policy position for the government, I was asked to join his little task force, and that was in July, 1970. I worked with that task force until it was disbanded in June, 1972.

Senator Connolly: Was that on the production of this document, "Foreign Direct Investment in Canada"?

Mr. Gualtieri: That is correct. Then I moved back to the Department of Industry, Trade and Commerce as special adviser on foreign investment to the deputy minister, and, basically, I have been advising him and the minister on foreign investment policy, and in particular on this bill, which I see all senators have in front of them.

That is all I have to say by way of general background.

Senator Macnaughton: May I ask you, Mr. Gualtieri, are you from Montreal?

Mr. Gualtieri: Yes, I am, sir.

Senator Macnaughton: Were you born there?

Mr. Gualtieri: I was born in Niagara Falls, but I grew up and was educated in Montreal.

Senator Desruisseaux: How long have you been in your present situation?

Mr. Gualtieri: Well, I started working on the foreign investment issue, as I say, in early 1970, and I have been in my present job with the deputy minister there for a little over a year now.