

the approach of the present government during the past decade, we have been losing not only from the point of view of the export of raw materials but also because by this action we export jobs. The people of other countries take our raw materials, develop them into finished products and export those finished products back to us. This means that those countries are using our resources to create jobs for their people, while our people need the jobs.

Second, these countries profit from the sale of the finished product to us and again Canada loses because we should have the profit from the sale of the finished product. There must be more flexibility in our financial institutions as well, in order to provide more venture capital from existing Canadian resources. In cases where foreign capital is encouraged to come in, steps should be taken to ensure that it comes in the form of debt capital rather than equity capital, which has been the method by which it has been coming. We must also make a massive effort to increase, and perhaps acquire, control of some of the major foreign companies which are functioning within our borders. Furthermore, we must take some steps in the area of labour unions to ensure that these are Canadian controlled and operated. Canadian labour leaders have admitted that their long term interest would be best served by getting more autonomy and control over their own affairs.

I was somewhat surprised to find that the hon. member for York South, and so far as I know all the members of his party, failed completely to make any reference to this aspect of Canadian economic nationalism. I think Canadian unionists are becoming increasingly resentful of being treated as a branch plant operation by remote and insensitive union leaders. The growing national sentiment in Canada within the labour movement must be used to Canadian advantage, and guided by responsible and experienced men within the movement in such a way that union decisions, union activities and union influence would be working in the interest of Canadians. I see this as equally important if not more so than the insistence on having corporations acting as good corporate citizens.

To sum up, the Progressive Conservative party recognizes the urgent need for increased Canadian participation in our economy. We propose policies which will ensure the development of Canada by and for Canadians. We believe that any effective approach in this country toward increasing Canadian participation and ownership in the economy must be a joint federal-provincial effort involving the closest consultation and co-operation with the provinces. We must ensure that any policies designed to monitor or regulate foreign investment in our country will be designed in such a way as to strengthen Canadian unity, which makes it all the more important that we have provincial involvement.

Bill C-132, which is merely a restriction of foreign take-overs, certainly does not ensure the survival, let alone the expansion, of Canadian companies faced with serious competition from industrial giants of other countries and their subsidiaries within our borders. We must be prepared to take positive measures designed to enable Canadians to participate in the development of Canadian enterprises, and we must take measures designed to

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encourage these enterprises to thrive. In this way we can meet our own aspirations for control of the economy and at the same time create jobs that are needed in this country. However, stress must be placed on the encouragement of Canadian enterprises rather than simply on the suppression of the foreign enterprises. Based on a theory that the Canadian economy can and will grow rapidly, if a majority of that growth is produced by Canadian-owned enterprises, then in due course Canada will regain control of its economy with minimal damage to the standard of living as the process takes place. It seems to me a set of guidelines must be established, and that a long-term plan must be implemented to achieve these goals. While Bill C-132 may, in the long run, be useful in some ways, something much more bold and daring is required at this time.

• (1530)

Mr. Cyril Symes (Sault Ste. Marie): Mr. Speaker, I take pleasure in being able to speak on Bill C-132 which relates to foreign ownership. I find it rather ironic, if not pathetic, that in our national anthem "O Canada" no less than five times do we repeat the phrase "we stand on guard for thee", yet when we look at the present state of economic affairs in this country we find that it is indeed a sad one. I hope it is not prophetic that the composer of "O Canada" eventually gave up on this country and went to the United States where he became an American citizen.

I should like in my speech to review the causes of the situation that we now see before us, the fact that Canada's economy is owned to such a large extent by foreigners. I should like also to look at the state of foreign ownership in this country and then to examine the bill and our party's opinion of it.

If we look at Canadian history and the origins of this country, the first thing that must impress us is that Canada does not make sense as a geographical entity. The lines of communication on this continent run north and south, and to divide the continent by the 49th parallel to form a country runs contrary to this logic. We in Canada have felt this north-south pull to the extent that much of our trade, culture and economy is tied with our neighbour to the south. When we look also at the history of the development of this country, we see that its origins were founded on pessimism rather than optimism. There were more regional loyalties than there was loyalty to a national entity, and this country had to struggle not only against internal disunion but also the threat of American absorption through the famous policy of manifest destiny.

Another characteristic of this country in its early days was an inferiority complex which was bred out of living in the shadow of our giant neighbour to the south. This inferiority complex has all too often been a characteristic of not only Canadians in general but of Canadian businessmen and Canadian investors. We have all too often sat back and let Americans and other foreigners invest in this country to the extent that they now control much of our economy.

When we look at the history of Canada, we must look at the history of the Liberal and Conservative governments and their attitudes toward foreign ownership. I should like to review for the House some examples of these