

*Speech from the Throne*

junior people who are at fault. It is the senior people in the Unemployment Insurance Commission and those at the ministerial level. As far as I am concerned, they are the ones to blame. We must also blame it on the purchase of this computer as well as some other things. It will be fine if the minister wants to establish a committee; I am all for it. I will not object to sitting on the committee, hearing evidence and trying to find out how this mess developed. I do not suppose there is any simple answer; I suppose there is a multiplicity of reasons. The point is that we want to get payments out on time.

The first thing the government should do is reopen the local unemployment insurance offices which were closed, and I do not mean they should be reopened in the way the parliamentary secretary suggested the other day when he hastened to say, "We have opened a lot of them." In my city they are opening these offices for four or five days a week part-time, for half an hour or two or three hours a day, something like that, and someone is in them listening to complaints. That will not settle the matter and will not do much to improve things. The offices should be reopened.

Another thing the government should consider is shortening the waiting period from two weeks to one week. I do not see how it is possible to shorten the waiting period for payment of claims to anything less than five weeks unless the waiting period is shortened as I suggest. If something cannot be done in this regard, I think the minister—I am sorry to have to say this—should consider looking into the competence of the senior people who are administering this program, because if it cannot be cleaned up in two or three weeks, somebody higher up is to blame. It is the old story; if the ship does not operate too well, the captain or senior officers usually are responsible. And if something cannot be done to get these claims paid to people more quickly, somebody should go: it is as simple as that.

The final matter I want to make observations about is the question of foreign investment in Canada and the utilization of our raw materials. This is probably the number one issue in Canada today. We were all surprised at something the government has not done. The members of my party and the members of the NDP have been very curious as to why the government's policy with respect to foreign investment in Canada has not been announced. We were told that we would hear about this when Parliament reassembled. Today the Prime Minister (Mr. Trudeau) tells us that he does not know when he is going to tell us about this. Presumably it will be after the next election, whenever that is.

There are many viewpoints on the matter of foreign investment. Some people are for it and some are agin it, and all for different reasons. Opinions may be influenced by geography. The people in Ontario, and in Toronto particularly, where a great deal of capital is available, are opposed to foreign investment. The other parts of the country, western Canada, Quebec and the Maritimes, take a different view because capital is not so readily available there. As some people pointed out in western Canada recently, "We would just as soon get our capital from the United States or West Germany as be slaves of Toronto." Of course, we see that viewpoint expressed here. I do not necessarily agree with it; I am merely expressing views that one hears.

[Mr. Nesbitt.]

You get different views expressed on foreign investment by people of different ages and various occupations. You get young students who are very chauvinistic and enthusiastic about the question of foreign investment, and sometimes for the wrong reasons. Then you get certain groups in Toronto, and wealthy people like Walter Gordon and others who are not much concerned about capital and they take a different view. Of course, there are some very good reasons why we should worry about heavy foreign investment in our country. There are long-term balance of payment problems and questions of economic policies involving an owner country like the United States which has a DISC program that may close our factories in Canada and export unemployment from that country to ours.

Questions involving foreign investment are serious matters. Unfortunately, you do not always hear them aired. However, the principal problem which seems to be facing Canada at present is that of the degree of control that is to be exercised over foreign companies in Canada. It is not ownership alone, Mr. Speaker, that worries us. I have a friend from Poland who owns real estate in Warsaw. He might as well own it on the planet Mars for all the good it does him. The important thing is the question of control. That is the area in which there is much disagreement in this country, even among friends, even among members of the same political party. They disagree about the degree of control that should be exercised by the federal government or by provincial governments, because this question of foreign investment is a joint matter.

• (2040)

I suppose there are as many opinions on the matter as there are persons who look into it. I think it is sufficient to say most Canadians agree that greater Canadian ownership in our corporations and companies is advisable for many reasons. I do not think there is any argument about that.

What has the present government done to help in this regard? Almost nothing. At the present time, under the new Income Tax Act it is better for a Canadian to invest in Canadian bonds or senior securities, non-equity securities or United States equity securities rather than in Canadian equity securities. This is a fine situation! I wish to quote the following passage from a memorandum given to me by a number of people who are pretty familiar with investments and investment matters:

Should funds be invested in senior securities or foreign equities, an additional one-sixth will have to be paid in income tax but, with the much higher return available on senior securities—

Those are bonds, of course.

—and, if capital gains are being sought and, with the greater expectation of profit in American stocks, there is little incentive . . . to concentrate on Canadian equities.

If we are going to try to get Canadians to invest more in our stocks and securities and give greater ownership to Canadians, we need to do something better than actively discouraging Canadians from investing in our own country. What the government should do is fairly simple: it should make proper tax adjustments to encourage Canadian ownership in Canadian equity stocks. It could lower the capital gains tax for those who invest in Canadian equity securities if held for a period of three years or