

*Investment Canada Act*

**Mrs. Mary Collins (Capilano):** Mr. Speaker, I rise to speak in favour of the Bill that has been presented on investment in Canada. I found it very interesting to listen to my colleague from Hamilton Mountain. This is a good opportunity to debate a basic concept which truly does differentiate between the points of view of those of us in the Government and those on the other side of the House. I think the Hon. Member will agree that during the campaign which took place this summer we were very clear about this differentiation. We were very clear about our view of economic growth, job creation, and the need for foreign investment in the country. I am pleased that we are able to bring forward, so early in the mandate of our Government, some concrete, specific actions to put in place those campaign promises. I might remind the Hon. Member that we have the support of the Canadian public on those policies. We have formed the Government. We have a commitment to the Canadian public to put in place the policies that were presented in the Investment Canada Bill.

I would like to spend a few minutes today discussing why this Bill was needed. I recall the time 10 years ago when the Liberals introduced the Foreign Investment Review Agency. I do not think that anyone understood at that time the very negative impact that it would have on investment in Canada. As the years went on and we became experienced with the delays and frustrations, it became very evident to our friends across the border and in other countries that Canada was not welcoming foreign investment. In fact, in many cases Canada was doing its best to discourage it. That did result in loss of jobs and a lowering of economic growth in the country. About four or five years ago when this problem was at its height, a common phrase was that investors had no fear but FIRA itself. I am pleased that today we can remove that sense of fear and say to potential investors that we do welcome their investment and confidence in this country and in this Government.

I would like to give you some examples from my own experience of what has happened in the past few years. I think we are all familiar with the story of Cyprus Anvil. In fact, the leader of the Yukon Territory was with us today. As a result of FIRA's lack of approval for foreign investors to keep that mine open and operating and to maintain jobs for Yukon, that mine has been in great difficulty. We do not know what its future will be and there could very well be loss of jobs there.

I came back on the plane this morning from the West Coast. Every time I fly across this land I am amazed at its vastness. I realize the tremendous potential that we have, but I also realize that we do not have the investment dollars in the country to turn some of those opportunities into realities. I came back on the plane with a gentleman from California. He related a story to me which took place in about 1977. His company had concrete plans to invest in a high-tech industry in Quebec. It put its plant into operation. The people here had the expertise and the knowledge they required. They were going to employ professional people to develop skills and new technology. They worked with FIRA over a period of about two years. They were totally frustrated. They were never able

to get their equity position in place in this country and could not go ahead with that investment. As a result of that, those highly skilled people were not able to get jobs in that industry and that economic potential was not realized in this country.

Of course this gentleman's reaction to investment in Canada has been totally negative. Happily, I was able to relate to him what the Government is doing. I was able to explain to him the program of Investment Canada. His reaction was that his company would be prepared to take a second look. I had been hearing about the kinds of things that our colleagues have been bringing up. I asked this man why he wanted to invest in Canada, what it was that attracted him. He said that it was the fact that we have expertise and skills in this area, but also that he believed and had seen in practice that Canadians really understood the work ethic. I felt really good about that. You do not hear that very often. I believe that is true and I certainly welcomed hearing that from one of our friends from the United States. I would like to be able to say to him and others that their investment capital is welcome in this country to help us create those jobs and economic growth.

A couple of weeks ago the Conference Board of Canada produced its report. I think we all found that very interesting. In that report the Conference Board reviewed the experience of FIRA and interviewed a number of companies. I would like to relate some of the comments it received from some of the people it talked to. One of the companies said that on a scale of one to ten it would rate Canada at zero. This was in terms of welcoming foreign investment. Another official with a British holding company said that his firm considered totalitarian states such as Chile, China and troubled Northern Ireland as more attractive places to invest. The author of the study found that rather shocking and so do we. That is not the kind of atmosphere and the kind of mat that we want to set out for potential investors.

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The Conference Board discovered that about half the companies it interviewed had been deterred because of FIRA. A number of specific issues were addressed in that study. One issue concerned the delays people had experienced with FIRA, the lack of clarity in the criteria as well as the cost of undertaking those reviews.

I have heard that concern echoed many times by my colleagues. In fact, friends of mine who are lawyers who were involved in assisting companies to obtain their applications through FIRA have been quite open in saying that they realize that they are the only ones who benefited from the whole experience. I do not believe that FIRA has benefited anyone else.

In addition to actual investments that have been deterred or have not come to Canada, FIRA has also been used as an excuse in some cases. I have seen examples where potential investors have said that because of FIRA they do not wish to proceed with investments here. It is hard to document that type of case and we really do not know how often that has happened, but it has existed. With that excuse no longer