

Government Orders

When that is combined with other initiatives it leaves us in the position that we are rapidly losing our ability to care for the citizens and residents of our nation. We are rapidly reaching the point of losing our economic sovereignty because of the programs, policies and debt that have accumulated around us. Let me give a couple of examples of what I mean by this.

On the debt side of all of this we recognize that much of our borrowing today is coming from the foreign marketplace. We continue to sell treasury bills and bonds to ourselves in Canada. However of the some \$400 billion accumulated debt at the end of 1992 more than \$80 billion was held outside Canada. It was held by governments or banks or others outside Canadian borders.

Of that \$80 billion, \$8 billion a year in interest payments alone is leaving this country. That is \$8 billion earned in this country by those people who are still working. It is earned and paid in taxes to this government, only to find that the money is put in buckets so to speak and transported across the border ending up in the hands of foreign banks or foreign governments.

Those tax dollars which leave Canada are of no use to us. Everyone knows that money earned in Canada and spent in Canada creates a nice little circle allowing for the money to be used several times. However when it is put in those buckets and sent on trucks outside this country so to speak, that money is not used again in Canada. Add that to other policies of the government and policies of past governments that remain in place and it is creating a very difficult situation for all Canadians.

We recognize from the Auditor General's report of two years ago that our tax system rewards companies that invest outside our borders. Canadian companies and American and other foreign multinationals operating in Canada and paying, one would hope, income taxes in Canada, that take Canadian profits and invest those dollars in other countries and create jobs in those other countries can then reduce their income tax or corporate tax paid in Canada.

When foreign companies operating in Canada make their investments, and there have been fewer investments in recent years, the investments made are generally in existing Canadian operations. They are businesses that are producing products and employing Canadians. When they invest, companies are inevitably downsized. Foreign investment has resulted in unemployment in Canada.

• (1735)

We used to encourage foreign investment to the point where jobs would be created. It would create new product. It would create new investment in our country. But the investment taking place today simply removes jobs from Canada. Of course with that downsizing and the so-called greater efficiency in that

marketplace the profits earned end up going outside Canada as well.

The Canada-United States Free Trade Agreement has spurred investment from Canadian companies into the United States. There is a greater influx of Canadian capital into the American marketplace for investment. That is not something the business community has criticized because of course it is very excited about expanding Canadian opportunities in a larger marketplace.

That means that money invested in the United States employs workers in the United States at the expense of Canadian workers. If that money were invested inside Canada instead of inside the United States the return for Canadians would be much greater.

The economic circumstance taking place is one where government tax policies and other policies and government debt make it very difficult for this country to participate in building jobs, what the government says is its main mandate out of this budget.

Our economy is almost bent on self-destruction. This economy will not create jobs while we continue to support corporations, particularly transnational and multinational corporations which create jobs outside our borders. It is time this government took a long hard look at the way the creation of debt, the tax policies and the Canada-U.S. Free Trade Agreement have diminished the government's ability to control the types of jobs that can be created in our country.

I do not want to leave the impression that perhaps all is lost. The important thing for government to understand is that, to use the language of the prairies, it must have some guts to stand up in the international marketplace and support Canadian industry and Canadian workers. It must support Canadian citizens who want to create a better life in Canada and to have some economic sovereignty within the North American and the world context.

Canada's tremendous resources in the past have simply been cut down and put on boxcars, fishing boats or whatever and shipped off some place else to allow for job creation and sales to take place in other parts of the world. For years we have forsaken a tremendous opportunity to create jobs and wealth, create new wealth in Canada that circulates in this country creating additional jobs and additional support.

If we continue to allow the marketplace to tell us what to do throughout Canada, through government, through the private sector, then our economy will slowly work itself down to the point where the only jobs left will be those servicing the unemployed or people on welfare. We have to find a way to pull ourselves out of that. Our economy cannot be allowed to shrink.

Mr. Speaker, you are signalling that my time is almost up. I will not abuse the privilege of the Chamber, although there are