

they immediately began to drive the small Canadian entrepreneurs out of the market. They gave long-term contracts at very low cost, with which the small entrepreneurs were unable to compete. Those contracts were so far below the cost of delivery of that service that complaints were made with Consumer and Corporate Affairs in Canada. However, FIRA had already approved their entry and it was too late to assist the small entrepreneurs.

Canadian businessmen are being driven out of business by foreign investment. There is a definite and identifiable loss of employment as a result of foreign investment.

Furthermore, the business practices that are being brought into play in that market are unacceptable. It is unacceptable to the Canadian entrepreneurs who have invested and employed people in Vancouver. That is just one example. Members opposite should be looking at protecting those entrepreneurs instead of introducing legislation that will gut Canadian businesses and put this country on the block.

Canada imports more duty-free, finished manufactured goods, even excluding automotive goods, than do the United States, Japan and the European Economic Community combined. That fact comes from the Science Council of Canada report. Of course, those products are not manufactured by Canadians. It sets up an extremely negative flow in the balance of payments from this country. The Minister of Transport (Mr. Mazankowski) has identified the problem, but the ideological fixation has prevented the Government from finding a solution to it. It is an extremely serious problem.

With an increasing number of branch plant foreign investment in this country, we will see those companies servicing a Canadian market with American and imported goods. That is a simple matter of fact. However, the Prime Minister (Mr. Mulroney) cannot go to the United States fast enough. Before introducing this Bill in Parliament, he is down in the United States to sell his wares.

Mr. Malone: Hear, hear!

Mr. Skelly: He is down on bended knee trying to sell out Canada. Of the top 50 companies in Canada, the greatest number of lost jobs over the past two years has been from U.S. owned companies. If they want to retrench in the United

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States in order to contain employment and economic opportunity in that country, they will certainly shut down the branch plant competition in Canada and attempt to pump their manufactured goods through their agencies.

It is purely a matter of re-inventing the wheel. The Government is going to go through this route once more, with the result that Canadians will not control their country and their economy. The Hon. Member for Crowfoot (Mr. Malone) wants that to happen. He does not want Canadians to have control over their economy. He wants to sell this country out and cannot do it fast enough. He and the Prime Minister look good.

In 1983, Canada had a deficit of \$9.4 billion in interest and dividend payments. Since the record began in 1926, Canada has been a net exporter of interest and dividend funds. This is the reality of this legislation. It reflects the attitude and philosophy of the Conservative Government in this country. It only makes sense that if foreign investors are allowed to invest here without scrutiny, they will attempt to maximize their profit and remove as much money from Canada as possible. They will be able to draw some rather exorbitant interest rates as a result of borrowing from the foreign parent corporation. In the pay-back to the American corporation, anything they take out of Canada will go into dividends.

One of the major scams that appears to have happened in the past is that if a foreign company can buy a Canadian firm in a captive market situation, it can produce the raw material in Canada. It will produce the raw material in Canada, sell it to the U.S. firm at or below the cost of production, and the Canadian company will continue to show a loss. Certainly, no tax will be paid. Ultimately, any loans paid out will have to be covered with interest payments to the United States. This means an outflow of Canadian funds.

I see you rising, Mr. Speaker. I will be more than happy to begin again tomorrow.

[Translation]

The Acting Speaker (Mr. Paproski): It being six o'clock, this House stands adjourned until tomorrow at eleven o'clock a.m., pursuant to Standing Order 2(1).

At six o'clock the House adjourned.