INVESTMENT CANADA ACT

MEASURE TO ENACT

The House resumed consideration of the motion of Mr. Stevens that Bill C-15, an Act respecting investment in Canada, be read the second time and referred to the Standing Committee on Regional Development.

Mr. Nelson A. Riis (Kamloops-Shuswap): Mr. Speaker, I am pleased to have an opportunity to speak today on what has to be one of the biggest snow jobs perpetuated in the last number of years. They say that Bill C-15 is "an Act respecting investment in Canada" and that its short title is Investment Canada Act. I suspect more appropriate titles would be: sell-out Canada act, warehouse Canada act, fifty-first state Canada act, or perhaps even harlot Canada act, as a harlot does not even begin to negotiate or to bargain for a price. It is simply a giveaway situation.

The other day when the Prime Minister (Mr. Mulroney) was in the United States, he was saying that Canada is now open for business. I suspect he was trying to say that Canada is now for sale, that all those folks could now come in, that the floodgates have been opened once again, that we want to sell off more of our resources and that we want to give more of our industry to foreign control.

It is important for Members of the House to recognize that in the manufacturing sector alone—and we all know that it is the critical sector of our economy in terms of jobs—52 per cent is owned and controlled by foreign interests. I ask any Member to stand in the House and say what country in the world would tolerate 52 per cent of its manufacturing sector being controlled by decisions being made in another country. The decisions made in terms of our manufacturing industry are not made in Canada. They are made in Houston, Texas, New York, London, Berne, Hamburg, Tokyo and Hong Kong. This Government says, "Shucks, that isn't enough; we have to have 60 per cent or 70 per cent foreign ownership of our critical manufacturing sector". I have heard members of the Conservative Party say that this will create jobs or job opportunities in Canada.

I come from an area of British Columbia which not many years ago had a very viable agricultural sector. There were miles, miles and miles of large tomato farms. There were processing plants, apple orchards and asparagus farms. There were hundreds and hundreds of jobs. Then they decided that they should sell off these operations to foreign buyers. They said that it would be good for the local economy to sell that agricultural sector to foreign entrepreneurs because it would encourage development in that sector. When we drive through those same valleys today, there are no tomato farms, no asparagus farms, no producing orchards, no packing plants, no processing plants. Those foreign purchasers bought the land and the plants, closed down the operations, and now import into the area from the United States and other sectors outside the central British Columbia region. It has meant that hundreds and hundreds of jobs have simply evaporated.

Just a few weeks ago one of the major employment centres in my constituency owned by a Florida firm closed down its Canadian subsidiary because it was in the best interests of the Florida-based operation. Now 450 people are collecting UI. That is part of the result of foreign control of the economy.

Today we are discussing in the House of Commons a Bill which the Government has the courage to call "Investment Canada Act".

Mr. Orlikow: Audacity.

Mr. Riis: Audacity, as my colleague says. That is probably close to the truth. While we discuss this Bill to attract more foreign investment and more foreign control of the economy, as knowledgeable parliamentarians we all know that the manufacturing sector is 51 per cent foreign owned, the rubber sector is 98 per cent foreign owned, the agricultural machinery sector is 51 per cent foreign owned, the transportation equipment sector is 92 per cent foreign owned, the electrical apparatus sector is 70 per cent foreign owned, and the chemical industry is 71 per cent foreign owned. One could go on and on identifying each and every economic sector, only to find that between 50 per cent and 99 per cent of it is owned and controlled now by foreign interests.

If this were the United States Congress and we were debating the problem which the country faces, this Chamber and the Galleries would be jam-packed. We would be hearing some of the most emotional and intense speeches as Members of Congress rose to defend industries and jobs in their communities across the United States.

• (1700)

The Government says it has a great idea. It feels that if it makes more decisions regarding our economy in foreign capitals, it will be in the best interests of Canada and Canadians. The logic of this Bill escapes me, as does its approach to job creation and economic development. I will state a number of reasons why.

Something this country requires more than anything else if we are to compete in international markets and develop a viable manufacturing sector is more research and development in this country. This is a peculiar situation. The Government has just introduced measures to cut back on government sponsored and government encouraged research and development through to production. What happens when a great sector of the economy is controlled by foreigners? We need only look at the data. It makes it very clear.

For example, for companies with less than 50 employees, Canadian companies spent 11.2 per cent on R and D, whereas foreign companies spent 3.3 per cent. For large companies with more than 500 employees, Canadian companies spent 8.3 per cent on R and D over sales, whereas foreign companies spent only 2 per cent.

It is perfectly clear that foreign branch plants do not spend the same amount of money on research and development as do Canadian domestic firms. It stands to reason. In a trans-