

Investment Canada Act

having a problem getting rid of its goods, will it let the Canadian branch plant produce and compete with the parent? There is no way they would allow that. The first plant to go would be the branch plant in Canada. This Government now wants to increase that kind of ownership.

First we have the loss of jobs. Not every takeover creates jobs. A large part of foreign investment has been and will continue to be for the purpose of taking over plants and companies in Canada. Following a takeover, the logical procedure is to allow the plant to operate for a while. When it starts to compete with the parent company, it is shut down.

We believe this Bill should be hoisted and looked at again before it is passed. We do not want the amount of money that is presently flowing into the United States to be increased. The statistics which I have, and they are more than a year old, indicate that \$2 million per hour flows from Canada into the United States. That \$2 million per hour is in the form of interest on bonds, interest on investments, research and development and profits to companies operating in Canada. If that amount continues to increase, eventually all of the profits, all of the research and development and our hope of getting control of our economy will have gone to the multinational corporations, most of which are controlled by the United States.

We have a real difference in priorities. This Government has prided itself on the private sector, small business being the engine of the economy. This Bill is forcing small entrepreneurs who want to produce a given item to compete against the large multinationals, with the kind of backing the large multinationals have. Instead of protecting the small entrepreneur, this Government makes him compete with the large multinational. In fact, the large multinationals are invited to come here and either take over an existing operation or set up a plant in competition to it. That is an example of lack of planning and lack of recognition by this Government. This is what will happen if this country is left open to unlimited development or control by foreign investment.

The Acting Speaker (Mr. Paproski): Order, please. The Hon. Member for Hamilton East.

Ms. Copps: Mr. Speaker, may I call it one o'clock?

The Acting Speaker (Mr. Paproski): It being one o'clock, I do now leave the chair until 2 p.m. this day.

At 1 p.m. the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO S.O. 21

[Translation]

CULTURAL AFFAIRS**BUDGETARY CUT-BACKS—REQUEST THAT GOVERNMENT REVISE PROPOSED MEASURES**

Mrs. Lucie Pépin (Outremont): Mr. Speaker, since the Minister of Finance (Mr. Wilson) made his economic statement, many groups, especially in the arts and the cultural sphere, have advised me of their concerns. The budgetary cutbacks planned in connection with federal cultural programs are quite alarming. The cuts of \$75 million at the CBC, \$3.5 million at the Canada Council and \$1.5 million at the National Film Board, to mention only a few, will have a very detrimental effect on Canada's cultural development.

We must not forget that cultural activities constitute an industry in themselves. The main parties concerned have every reason to be alarmed, and I would therefore urge the Minister of Finance to reconsider his proposals, as the cutbacks will have a disastrous impact on one of the most dynamic sectors of our economy.

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TRANSPORT**PRIVATE INDUSTRY—POSSIBLE IMPACT ON PROVISION OF BRANCHLINE SERVICES**

Mr. Fernand Ladouceur (Labelle): Mr. Speaker, today I would like to discuss a matter that gave rise to considerable comment in 1981 in the regional press and created much bitterness among my constituents, the people of Labelle.

Mr. Speaker, I am referring to the unilateral decision by VIA Rail to eliminate passenger rail services in Labelle because they were no longer considered a viable proposition by the authorities at the time. The decision was never reconsidered by the former Minister of Transport and was made without consideration for the wishes of the public.

Mr. Speaker, this cut in passenger rail service—I am referring to the "P'tit train du Nord"—and, more recently, the application made by CP Rail for permission to drop its freight service, all this has had and will continue to have serious consequences, including the adverse effect on our local tourist industry and on local economic development at the corporate level and among small—and medium-sized businesses, and discouraging projects by local businessmen.

That is why I would like to draw the attention of the House today, to the excellent work being done by the present Minister of Transport who has ordered a six-month study of the potential of small branch lines in terms of local transportation services provided by the private sector. As you know, Mr. Speaker, because the territory is so vast, transportation in the