

*Investment Canada Act*

going to own, operate and control the future of Canada and Canadians. We are deciding here today that the 53 per cent of our economy at present owned by those who do not reside or have any interest in Canada other than to make money will become 63 per cent or 73 per cent. At what point do they own enough? At what point do we say: Damn it, it is time for us to stand up and speak for ourselves. It is time for us to redirect the necessary funds. It is time for us to provide the incentives for Canadians.

Why did the Government not bring forth legislation that would have encouraged Canadians to invest? Why open up the borders to whoever wants to come in without any requirement of any kind? If this Government believes it is necessary to try, as was said earlier today, to open up and shake loose the pools of savings of Canadians, why has the Government decided to open up the floodgates of foreign investment and thereby make it virtually impossible for Canadians to compete? Why?

I find this a very aggravating situation, Mr. Speaker. It is aggravating because it is so clear to me, as I look what the Government has done or is in the process of doing, that the end result can be nothing other than that 10 years from now it will not be 53 per cent, it will be 63 per cent or 73 per cent of Canada's economy owned by other than Canadians. Many small entrepreneurs in Canada who are fighting it out, trying to survive against the much larger conglomerate operation in another part of the world, will succumb almost out of necessity to the sale of their manufacturing facility to their major competitors who may well be ten times their size. That competitor will, as they have always done, then move to consolidate. That consolidation will be done in such a way as to have most of the manufacturing done in those areas of low wage and little benefit. The Canadian operation will end up being simply a warehouse for the distribution of products made elsewhere. That is the process. If you doubt it, Mr. Speaker, then look at the process. What the Government is talking about is free trade. Add free trade to this Bill and you open up the doors for the gradual if not immediate elimination of many of the smaller Canadian manufacturing enterprises.

You know as well as I do that what we need to meet the domestic requirements of Canada can be produced with a week, or perhaps less, of production capacity in many of the operations south of the border. You know that as we open up free trade, the opportunity for Canadian subsidiaries of U.S. operations to enter the U.S. market will be severely restricted by the parents' directives. But in Canada no such requirement will pertain. You will then end up with more and more and more of U.S. and other countries' goods entering Canada without any protection for Canadian industry.

With the introduction of the economic free zones that we now hear the Government talking about, Mr. Speaker, we will see the elimination of minimum wages, workers' compensation payments and unemployment insurance. You will see people having to work in ghetto-like surroundings without any protection. The end result will be that Canadians' standard of living will suffer immeasurably.

What we see from this Government, if you look at the entire program, is a destabilization of the social fabric of Canada. This Government is moving toward eliminating the very things that many in this House have fought for and attempted to develop, in fact have begun to develop over many, many years. I want to let you know, Sir, as I sit down that this Bill is yet another step toward making sure that Canada, although it will have sovereignty in name, will certainly not have sovereignty in fact.

**Mr. Friesen:** Mr. Speaker, I just want to comment on what the Hon. Member has said. He reminds me of the newspaper editor who, in his column, prayed: Lord, save me from those guys who criticize and minimize those other guys whose enterprise has made them rise above those guys who criticize and minimize. That is all we hear from the New Democratic Party.

● (1550)

I want to correct his historical anecdote regarding the United States. Would it allow legislation that would let others invest in the United States? I want to remind him that the United Kingdom pretty well owned and controlled the economy of the United States until World War I. At that time Great Britain needed the money it had invested in the United States to pay for World War I. Therefore, it sold off its investments in the United States to pay for that war. It was not American legislation that drove out the United Kingdom pound; it was the need to pay for that war. It was not American walls that drove out U.K. investment; it was the U.K.'s choice to sell its investment.

**Mr. Deans:** Mr. Speaker, the Member must understand that only 2 per cent of the entire American economy is foreign owned. If we had 2 per cent, or even 10 per cent foreign owned, I would not mind opening the doors. However, at 53 per cent I have serious reservations about the value of opening the doors even further. Equally important, as the Hon. Member knows, are the circumstances that surrounded the ownership by Britons in the United States. It was not necessarily always, or even primarily, in the area of direct investment. In many cases it was the result of loans made for the development that took place.

I would like to go back to one other point. I would like to suggest to the Member, through you, Mr. Speaker, that I do not want a war and the necessity to fund a war to bring us to our senses. I do not think we should have to wait until there is a need for a great war effort before the U.S. withdraws its funds from Canada. I would much prefer that we did this in an orderly, sane and sensible way with some economic planning involved. As the Member full well knows, it was in fact the war effort that resulted in the withdrawal, if you will, of much of the financial involvement by Britain in the United States. Quite clearly, if that were required as opposed to sensible direct and economic planning approaches, I would choose the latter.