

HOUSE OF COMMONS

Tuesday, December 11, 1984

The House met at 11 a.m.

● (1105)

GOVERNMENT ORDERS

[English]

INVESTMENT CANADA ACT

MEASURE TO ENACT

Hon. Sinclair Stevens (Minister of Regional Industrial Expansion) moved that Bill C-15, an Act respecting investment in Canada, be read the second time and referred to the Standing Committee on Regional Development.

He said: Mr. Speaker, the debate today is a debate on creating jobs for Canadians. It is a debate on getting Canadians to be more confident, more willing to invest their huge savings in productive investments. Canada needs in real terms about \$100 billion in new equity investment between now and 1991. This Government, this Progressive Conservative Government, is planning now to achieve this target. The Liberal Government gave up. In doing so, I would suggest that they stopped thinking positively. The past Government was, in effect, willing to relegate some 600,000 Canadians to the jobless rolls rather than change an ideology they had become addicted to. Their hostility to what they called foreign investment was paramount.

The new agency described in Bill C-15, on which we are now commencing second reading debate, I would suggest will, in concert with the private sector, provincial Governments and our trade services, work with Canadian investors and non-Canadian investors to ensure that there are productive jobs created for Canadians between now and the 1990s. By changing the name of the agency, we will be sending a positive signal, changing from that hostile-sounding terminology of Foreign Investment Review Agency, to one of: We are open for business once again. I suggest that in changing the mandate from one of foreign investment review to Investment Canada we will demonstrate that indeed there is a strong, positive signal once again coming from Canada with respect to our investment potential, and that those who have money to invest, be they Canadian or non-Canadian, are once again welcome in this country.

● (1110)

The Foreign Investment Review Agency, which we know was created in 1974, became, I suggest, an agency that was out of touch with the realities of 1980. Canada's economic

welfare and growth depend on investment. Much of this investment must come from non-Canadian sources. It must come from abroad, and indeed from the reinvestment of earnings by non-Canadian firms resident in Canada.

Canada's performance in the international race for investment has not been helped by FIRA, it has been hindered. Canada should be seen as an attractive place to invest, but unfortunately, in the minds and eyes of many of the world investors, Canada does not have that attractive image any longer. The negative impact of FIRA has given Canada a poor image among potential investors. Our capacity to compete in world markets for technology, investment and trade itself has consequently been hampered.

In a recent European Management Forum study Canada was ranked 22 out of 22 with respect to our attitude and receptiveness to inward investment, as they call it. Imagine, 21 countries such as Australia, New Zealand, Japan, the United States, the United Kingdom, Ireland and Greece were ranked higher on the list of those willing to welcome foreign investment than was Canada. This Government believes, Mr. Speaker, that that is not good enough. Those who are now jobless in the country expect the Government of the day to do more than simply discourage non-Canadian investment from this country, consequently cutting down our full potential. Every industrialized nation in that study was perceived to be more receptive to investment than Canada with respect to their individual countries. We will not allow Canada to continue in last place as a safe, welcome place for non-Canadian investment.

Investment Canada will adopt a positive stance toward non-Canadian investment but it will also want to encourage Canadian investors. Investment Canada, with its new mandate, will be designed to co-ordinate private sector investment, provincial Government activity, our trade services, and, of course, the role of the federal Government in achieving the productive plants, machinery and jobs that we need in Canada. In this new approach we are accepting the reality of the 1980s. We are once again putting Canada in step with the mood of the world today. We are not allowing some outworn ideology to say to Canadians that they cannot have that productive capital which non-Canadians may wish to invest in this country.

● (1115)

In short, let me say that we have found that there are many Canadians who would like to invest in this country. Certainly, they have the savings to invest in this country but they are hesitant because they do not have that necessary confidence to put their investment dollars to work.