

The Harbourfront Quay Club should be more accurately referred to as the "Group of Harbourfront Friends."

Basically, this group represents one facet of Harbourfront's fund-raising arm. All donations received from donors are used to ensure the existence and continuation of those seniors' and children's programs which do not enjoy the sponsorship of corporate firms.

A request by Harbourfront was made to the public for donations and it was noted that the following minor privileges would be extended to those who donated a sum of or exceeding \$1,000;

- free parking at Harbourfront;
- tax receipt for income tax purposes;
- one free introductory lesson at the Harbourfront Computer Centre;
- free subscription to the bulletin, "Happenings at Harbourfront;"
- opportunity to attend opening night of Harbourfront Children's Festival;
- invitation to a party in the fall to be held at Harbourfront (all services will be privately donated to the party).

The above minor privileges are extended to donors in appreciation of their contributions and do not constitute membership in an elite, inner circle at Harbourfront.

It should be stressed that:

- (i) the Government of Canada has not nor does it propose to cut back on its commitment to Harbourfront. The Crown Corporation will be self-sufficient in 1986, as was agreed to by the Liberal government when Harbourfront was created. No diversions from the Crown Corporation's financial plan have occurred.
- (ii) with respect to Harbourfront's kaleidoscope of programs, the number of programs offered at Harbourfront this year is double that of last year. Of those programs, 45 per cent are free.

[Translation]

CRIMINAL LAW AMENDMENT BILL, 1985

THIRD READING

Hon. Lowell Murray moved the third reading of Bill C-18, to amend the Criminal Code, to amend an Act to amend the Criminal Code and to amend the Combines Investigation Act, the Customs Act, the Excise Act, the Food and Drugs Act, the Narcotic Control Act, the Parole Act and the Weights and Measures Act, to repeal certain other Acts and to make other consequential amendments.

Motion agreed to and bill read the third time and passed.

[Senator Roblin.]

[English]

PRIVATE BILL

BILL TO EXTEND TERM OF CANADIAN PATENT NO. 855,255—
THIRD READING

Hon. C. William Doody (Deputy Leader of the Government), for **Hon. Nathan Nurgitz**, moved the third reading of Bill S-4, to extend the term of Canadian Patent No. 855,255.

Motion agreed to and bill read third time and passed.

INVESTMENT CANADA BILL

SECOND READING—DEBATE CONTINUED

On the order:

Resuming the debate on the motion of the Honourable Senator Kelly, seconded by the Honourable Senator Barootes, for the second reading of the Bill C-15, intitled: "An Act respecting investment in Canada".—(*Honourable Senator Sinclair*).

Hon. Ian Sinclair: Honourable senators, after listening to the exchanges that took place here earlier today, I am sure that everybody is vitally interested in the questions of investment. They are on the front burner and they are not complicated to solve like some of the other matters that were raised. Let me draw to the attention of honourable senators the fact that if you wish to look at investment in Canada you have to start from a historical perspective.

From its earliest history Canada has relied on foreign investment. It has had an open door for investment. The reason for that is that domestic savings, including savings from personal, business and government sectors, have not been large enough to finance Canada's investment requirements. Accordingly, investment from abroad was essential to Canadian development, and it was forthcoming. It was forthcoming because of three factors that are absolutely essential for investment from foreign countries. There has to be a stable environment in the country receiving the investment, the investment has to serve a remunerative market and, third, there has to be the ability to take profits out.

Such investment in Canada has taken the form of long-term capital inflows, and they have been made up of two factors which are very different. The first one is portfolio investment and the second one is direct foreign investment. In our early days in Canada, foreign investment came largely from Europe. In accordance with the traditions of that place, that investment was largely of the portfolio type. In latter years, the investment has come from the United States and the predominant factor has been that it was direct foreign investment. If we go back in history to the time of Sir John A. Macdonald and to understand the economic flow of his policies, honourable senators will recall his national policy which by tariffs and protection built up a demand for a movement into Canada of foreign companies and the beginning of the branch plant syndrome. This branch plant syndrome was not only the result of federal policies but also of provincial and municipal policies which by bonuses and tax exemptions influenced the introduc-