

Products International, that Crown corporation or that investment of the Government of Canada, is up for sale if there are buyers. The Hon. Member for St. John's East (Mr. McGrath) said that we have about as much chance of selling that company as putting a man on the moon. I sort of agree with him at this time. Most of those companies have fishery quotas. It would be very easy for any foreign investor who is a competitor to buy up the assets of some large companies and make them inactive for certain periods of time. Naturally one is in business to make a profit; there is nothing wrong with that. We may well be looking at the closure of many plants, displacing or putting out of work thousands of people in Atlantic Canada. That is a very genuine concern in terms of a foreign takeover, especially as it relates to the fishing industry.

Let us take another look at agriculture, in particular the processing of potato products. If the situation in the United States or in another country was such that it might want to eliminate competition, a corporation could come into this country and buy up some of the potato processing plants and perhaps put them on the back burner. Just as we are asking for this piece of legislation to be put on the back burner for further study, they could be put on the back burner until such time as new markets are gained for a specific corporation, thus eliminating any such previous markets held by firms such as McCain or Cavendish Farms. I am not very clear about the answers to those questions. Some of these things could conceivably happen. If they happen, they would certainly be to the detriment of Canadians. I am concerned about those matters.

Let us look at the World Court decision which gave Canada control over a very rich part of the Georges Bank. This should be of great benefit to Canadian fishermen. However, the United States International Trade Commission issued a report indicating that Canadian fish imports to the U.S. allowed an unfair advantage to Canadian fishermen who received such benefits as market assistance and vessel subsidies from the Canadian Government. In essence, the commission has supported the contention of American fishermen that Canadians are dumping fish on the American market. There is a threat that this will result in countervailing duties on Canadian fish entering the U.S. market.

We have to look carefully at any new idea of Investment Canada. Perhaps the name change is all right, but the content scares me and many Members on this side of the House. More time is needed by the Government. Sometimes it is nice to rush through legislation. We sat on that side of the House. Some of us understand that Ministers like to get through new legislation. Only legislation which benefits all Canadians is good legislation. This is why sometimes what we do in haste may be to the detriment of certain areas of the country.

**Mr. Stan J. Hovdebo (Prince Albert):** Mr. Speaker, I appreciate the opportunity to speak in this debate today. The Minister, the Hon. Member for Lanark-Renfrew-Carleton (Mr. Dick) and the Hon. Member for Cape Breton Highlands-Canso (Mr. O'Neil) have implied that the debate today was about the future of employment in Canada. Nothing could be further from the truth because what we are debating today is

foreign control of the industry of Canada. We are debating whether or not Canada should be concerned about foreign control of its industry. We are debating whether or not there should be a review procedure in place for the control of money coming in and possibly even money going out. We are also debating the effect of an increase of foreign control of our economy on Canadian entrepreneurship. Those are the matters we are debating today.

We know there is a need for jobs and that jobs can be made available by the development of industries and by the development of the economy. But who should do it? That is what we are debating, not whether the jobs are necessary. We are debating whether the method being established by the Government is the proper one to deal with the problem.

• (1250)

This Bill will sell out Canada. It will turn the industrial estates across Canada into foreign enclaves. We already face a branch plant structure in Canada. This will be the common standard for Canada. Eventually there will be so little production by Canadian firms that it will reduce the amount of possible exports.

At present, 51 per cent of Canadian manufacturing is foreign controlled. Foreign interests control 98 per cent of the rubber industry in Canada, 51 per cent of agricultural machinery production, 92 per cent of transportation equipment, 70 per cent of electrical apparatus, 71 per cent of the chemicals and 52 per cent of the small miscellaneous items purchased in the store. Many of those items can be produced by Canadian entrepreneurs. The Government, through this Bill, is suggesting that the production not be done by Canadians but by foreigners.

What is the effect of 55 per cent or more foreign control, such as we have in Canada? As my colleague stated previously, Canada is the only country with this kind of foreign ownership. In 1982 foreign control of industry in Sweden increased from 7 per cent to 7.2 per cent. What did the Swedes do? They immediately put in place controls to disallow the increase of foreign development in that country. The increase in foreign investment in Sweden was curtailed immediately. They were worried when foreign control of their industry went above 7 per cent. We are not worried that it is over 50 per cent in Canada. In fact, we are offering the sale of Canada in order that we will have a larger portion of our economy foreign owned.

What happens when there is foreign investment in a country?

**Mr. Shields:** Jobs.

**Mr. Hovdebo:** I am glad the Hon. Member said that. Just before this past Christmas, Black & Decker took over a plant in Barrie. In the process of that plant being closed, the Town of Barrie lost 600 jobs. That is what foreign ownership can do.

Why would a company allow a Canadian branch plant to compete with the parent plant? If the American parent plant is