

Investment Canada Act

The Minister stood up this morning and said it is a new day for Canada, the heralding of a new age. Yet it is the Government that is dampening and suffocating the possibilities for growth. That is the real danger. I hope the Conservatives will not smirk about it but take it into consideration. I am sure that during the committee hearings we will have enough witnesses to provide evidence of that. The Science Council of Canada, for example, has given us numerous analyses. I suggest the Minister might want to read some of their reports. They point out time and time again that if we are to provide for the development of a knowledge-intensive, high value-added industry in this country, then we must protect our industry in that area from takeover and acquisition and suffocation. Members opposite do not necessarily have to listen to me, although I think it would be wise if they did. They might want to listen to the Science Council as to what is required in terms of industrial strategy to meet the international competition we face.

The Minister talks about the 1980s; I am talking about the 1990s and the years beyond. The young people coming out of our universities and colleges are going to have to find jobs in those knowledge-intensive industries, but because of this Minister's actions those industries will all be south of us or north of us or east and west of us because they will not be able to survive here. That is the problem. That is the scenario which has been laid out for us. We do not have an open door; rather we are becoming the doormats of the world.

Do you know what is absolutely mind boggling about this, Mr. Speaker? This Government says it is going to establish a new relationship with the United States, the biggest foreign investor. We have this new privileged relationship. The Prime Minister (Mr. Mulroney) was in New York last night and the business community applauded him. Of course they did. They always like to see people come down there that they can sell the Brooklyn Bridge to. They love people like that. Of course they are going to applaud and stamp their feet and whistle and cheer. They like to see guys who are going to lie on their backs and go bow-wow. That is what is going on, Mr. Speaker.

I ask the Minister: did he make any effort, did the Secretary of State for External Affairs (Mr. Clark) make any effort, did the Minister for International Trade (Mr. Kelleher) make any effort to get reciprocity from the Americans on the prohibitions to foreign investment that are rampant in that country? They have anti-trust laws, securities laws, procurement laws, exclusion from a number of sectors. The Americans do not have a FIRA, but they sure as heaven have a lot of protective measures to ensure that foreign investors cannot buy up American businesses of all kinds.

There are many examples, and the Minister knows them, of a Canadian business going down to the States and there must be public disclosure because of the Securities Exchange Commission. Where is this in our Bill? If we are going to have an open hunting season on Canadian business, we should get the same rights in the United States. Perhaps, Mr. Speaker, the Minister has done this secretly or in private. But I do not believe that we should be making these kinds of changes in our ability to monitor foreign investment when other countries are

not giving us the right to do the same in their country. Talk about selling out! Talk about poor bargaining! The wool has been pulled over our eyes and the Prime Minister is going down there and reinforcing that all over again.

No one is arguing, Mr. Speaker, that the United States is our major trading partner and source of foreign capital. Under FIRA they supplied 60 per cent of our trade, as I read the figures, or more depending on how you measure it. If that is the case, before we bring in this legislation, before we totally eviscerate our ability to make foreign capital responsible and accountable, why in God's name do we not ask the same thing of the Americans? Why do we simply give away our side of the bargain and not get anything in return? Is that what you call good business? Is that the kind of deal the Minister wants to go around making? We are simply the fall guys for the rest of the world. Is that going to be the new era, the new age? Canadians are simply the soft touches and easy makes in the international environment. Is that the kind of new economic policy we can expect?

If not, then I think the Minister better get on a plane tonight and go down to his friends in Washington. He should tell them that we are on second reading of this Bill, he knows the opposition is going to hold him there for a long time and so he has some time to bargain. Let him ask what those guys are prepared to give us in return. If he does not, then he is in serious dereliction of his responsibilities to the people of Canada as a Minister of the Crown. I think he should understand that.

Not only are we giving away our institutional rights, Mr. Speaker; not only are we threatening the potential for Canadian small business to develop its own specialized areas of competence and expertise and marketing, but we are doing it without getting anything in return. Canadians could compete if they had the same rights, but where are they? Why were we not down there bargaining for those reciprocal rights? That is the problem, Mr. Speaker.

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That is why we on this side of the House say that, with regard to job creation and capital investment, this Bill is based on some very major fallacies. If we consider the industrial reality that we will be facing in the country, the Minister is in fact pulling out some of the major props. He received great laughs and hurrahs from his colleagues when he said that they are getting away from "significant" benefit and it will now be "net" benefit. That means that if it is a slight smidgen, half an iota, he is going to sell the store.

Mr. Deans: How would you know?

Mr. Axworthy: We will not know, of course, because now, all of a sudden, the only arbitrator, the only judge, the high priest of Canadian investment, will be this Minister. I do not blame him in a sense for trying to accumulate all this power unto himself.

Mr. Deans: You know all about that.