

see the positive and real benefits that will come from the jobs that will be created by the foreign investors who will bring new capital to all areas of Canada.

One of the largest contributions from foreign investment is its contribution to Canada's economy through new job creation. As Canada began to recover from the recession, foreign-controlled firms contributed more to job creation than Canadian-controlled firms in some sectors. In 1984, in the manufacturing sector, foreign firms accounted for proportionately more new spending than Canadian firms.

Based on the estimate of the World Bank, \$100,000 in new investment is required to create one new job in an industrialized country such as Canada. That translates into roughly 74,000 jobs being created by foreign investment in one year alone if \$7 billion is invested. We cannot afford to snub this kind of investment. Our jobless cannot afford and will not accept going without meaningful work simply because of false fears and hysterical paranoia that we will lose our Canadian identity solely because we are encouraging foreign investment. The 1.4 million unemployed want to be put to work and it does not matter if they work for a Canadian or a foreign-owned firm. A job means work and an end to unemployment.

Foreign companies that invest in Canada are good corporate citizens. Located in my riding of Sarnia-Lambton is a very large industrial base for the petrochemical industry which contributes much to the economy of the riding. Imperial Oil has established in Sarnia its largest research and development centre in Canada and is firmly committed to continued R and D in Canada and the rest of the world. This company is committed to Canada, committed to employing Canadians and committed to contributing to a growing economy.

According to a poll recently conducted by the University of Waterloo's Laurier Institute for Business and Economic Studies, fewer than one-third of Canadians consider the issue of foreign investment in Canada to be a serious problem. A survey of 3,000 people across Canada revealed that at the beginning of the year, Canadians were positive about foreign investment in Canada. As recently as June 3, a headline from Ottawa's *The Citizen* indicated that more foreign investment was OK and that according to a national poll, 62 per cent of Canadians are positive about it. As a matter of fact, a similar poll indicated that of political supporters, 70 per cent of Conservative supporters, 62 per cent of Liberal supporters and 51 per cent of New Democratic Party supporters were positive about more foreign investment in Canada.

On May 6, an article in *The Globe and Mail* indicated that the British felt that the best news to come from Canada this year was the impending replacement of FIRA with Investment Canada. The Canadian-U.K. Chamber of Commerce in London believes that the new Act will allow potential investors to resume normal business rather than having to enter FIRA offices armed with corporate lawyers to do battle. British companies have contributed more than \$6 billion to Canada, equivalent to 9 per cent of all foreign investment.

Investors from all countries are caught in the absurd vacuum of having to deal with the old Foreign Investment

### *Investment Canada Act*

Review Agency while waiting anxiously to see what will be the final outcome of this legislation. We are confident that all investors will be pleased and will respond positively with new investments in Canada with the passage of Bill C-15.

Bill C-15 will erase the previous decade of hostility toward foreign investment. In 1980, the National Energy Program and the tough, regulatory FIRA actively encouraged foreign companies to consider other alternatives to investing in Canada. In the years following the introduction of the NEP, we witnessed an outflow of capital which sadly characterized the investment climate in Canada. After these devastating outflows of direct foreign investment funds of \$1.4 billion in 1982 and \$4.6 billion in 1981, Canada is now returning to a positive balance.

Contrary to what some would like to believe, Bill C-15 does not abandon our wish to develop a truly Canadian industrial strategy. However, we refuse to be bound by the tight, restrictive practices of the NEP and FIRA. Bill C-15 aims to bring together many different types of investors. We recognize that there are Canadians who wish to enter into a business relationship with non-Canadians to develop a business, industry or other activity. These non-Canadian investors will bring with them new technology, new equipment and new ideas with a view to serving the whole of the North and South American market as well as meeting the needs of Canada.

Investment Canada recognizes that there are many needs to be served and that we can no longer afford to treat Canadian needs in isolation. We tried that for over 10 years and we watched in desperation as the unemployment rate rose from 5 per cent to over 11 per cent.

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Bill C-15 is fully cognizant of the many diverse yet similar interests of both the Government and the investment community. Clause 5 of the Bill recognizes some of the positive aspects which we perceive for Investment Canada. First, we need to encourage business investment which is deemed to be appropriate by the Minister. Second, we want to assist Canadian businesses to exploit opportunities for investment and technological advancement. Third, both interests are served with research and development and analysis relating to domestic and international investment. Fourth, we will assist each other with an exchange of information services, with the aim of facilitating economic growth in Canada. Fifth, it is the aim of the Minister to develop an industrial and economic policy for Canada. Last, we will ensure that the notification and review of investments will be carried out in accordance with the legislation. I assert that those six principles will provide the most positive and secure investment climate. We have not thrown caution to the wind. We have become realistic and in tune with the needs of the 1980s.

Bill C-15 provides a suitable review process of non-Canadian investment over certain thresholds. With respect to direct acquisitions, the Bill will review those applications which involve an investment over \$5 million. It will mean that if the investments involve \$5 million or more, there will be a review