

*Foreign Takeovers Review Act*

encouraging maximum participation by Canadians in the ownership of companies which transport natural resources within Canada."

Pacific Gas would retain effective control of the company, however, with its 45 per cent shareholding.

Alberta Natural Gas owns and manages the Canadian section of the 1,400-mile Alberta-California natural gas pipeline, a vital link in the North American energy network.

The article then says that the company tried twice to dispose of its 55 per cent interest in its subsidiary and failed, and it plans to make another offering in the fall. That leads me to my next proposal for increasing Canadian ownership of our economy. The hon. member for Edmonton West (Mr. Lambert) touched on this point last night when he said that former estate taxes and present provincial succession duties have prevented Canadians from accumulating the funds necessary for investment in this country.

**Mr. Benjamin:** Oh, boy!

**Mr. Schumacher:** Pressure from those on my left has brought about this trouble. They decry the lack of Canadian investment in this country yet bring forward proposals under which the government, by taxation, would take all available money from our people. The government, possessing all money, will invest and leave no money in the hands of the people for investment. I for one do not accept that principle and would rather see the Americans owning everything than a Canadian federal government.

**Mr. Benjamin:** That figures.

**Mr. Schumacher:** That is what my friends to the left would propose. I have mentioned an extreme case, one that I hope will never be realized; nevertheless, that situation would result from following the proposals of those to my left.

**Mr. Woolliams:** That is why the Premier of Saskatchewan wants American money.

**Some hon. Members:** Oh, oh!

**Mr. Nystrom:** He wants equity capital.

**Mr. Schumacher:** Instead of bringing forward a master plan and steps for nationalizing industry, as advocated—

**Mr. Horner:** By the Benjamins of this world.

**Mr. Benjamin:** The people want to own their own Canada.

**Some hon. Members:** Oh, oh!

**Mr. Speaker:** Order, please.

**Mr. Schumacher:** Instead of introducing such a master plan, why does the government not put many small things to work? I think there is room for improvement in cabinet. Furthermore, I am advised that long distance lines between Calgary, San Francisco and other points in the United States are tied up most of the night. They carry computer data material for use in American computers. We ought to act to keep this kind of work at home. That would make sense.

[Mr. Schumacher.]

Also, it makes sense to put Canadians on the same footing as foreigners. For instance, Americans are entitled to set losses in exploration against income. That privilege ought to be extended to Canadians. Furthermore, Canadians should be entitled to invest part of their taxable income in the industries of this country and such moneys ought to be deductible from their income. It is also important for our laws in this regard to be developed further.

Although the federal government may be without power in some fields, it ought to encourage the provinces to act. For instance, we ought to make certain that enough Canadian citizens sit on the boards of directors of federally chartered but foreign-controlled companies which operate in Canada. That is my view. I also agree with one point raised by the hon. member for Egmont (Mr. MacDonald). I do not agree with him all the time. I agree with his suggestion that there should be a revision of the Bank Act to ensure that Canadian investments are funded in Canada, not through chartered banks in the United States and then brought back into Canada in the form of foreign control. I do not see any reason for that.

• (2020)

I also believe that the immigration practices of the government should be tightened up considerably to ensure that graduates of Canadian universities and trade schools have the first opportunity to obtain employment in Canadian industry. There should be an application of the doctrine of reciprocity in relation to countries that want to invest in Canada. Countries which put up bars to our investing in their countries should receive the same treatment from Canada: the principle of selectivity should be applied in this regard.

This bill is not too strong at the present time and it is being decryd by the party to my left. I feel it is a negative approach to the problem; it restrains and restricts rather than encourages Canadian ownership. I do not think that is the right approach. I cannot say that I have a great deal of confidence in this administration. If the situation were not so bad we would have had a much tougher measure. If something happens we will probably be in for more restrictions. Our only protection is that nothing will happen along this line as long as this government is in power, because we would be plagued with unemployment.

If the worst came to the worst, as the hon. member for Fort William (Mr. Badanai) said, and the NDP took power I would be afraid to have on the books this piece of legislation on which they could expand. They say they will vote against the bill. I do not know why. Surely this is part of their program.

**Mr. Horner:** It is not enough for them.

**Mr. Schumacher:** As the hon. member for Crowfoot (Mr. Horner) says, the trouble is that it is not enough. I still do not understand their reasoning in this regard. I have grave doubts about the ability of this bill to solve the problem. However, at this stage there is hope that better criteria will be written into the bill for the guidance or, if necessary, the control of the minister in making decisions. As things now stand, the minister has too much discretion