

Investment Canada Act

hope I will not be called to task if I stray even slightly from the subject matter of the amendments.

The Hon. Walter Baker and another very prominent Conservative whom many of us remember with great pleasure, Mr. Ged Baldwin, made probably the most powerful arguments in this Chamber outside of those made by members of the New Democratic Party for the need to be fully informed and to have full information flow to the Canadian public on a very great variety of matters.

I can remember their making an argument we have often made, which is that everything should be made public unless there is an absolute specification that it should not be made public. That follows the Swedish rule which provides that information, and indeed information of the kind that is available to the new board that will be created under the Investment Canada Act, should be made public unless there is a specific order that a particular piece of information should not be made public. As I have said, even Conservative Members have made very eloquent speeches on that subject. At that time, the Liberal Government was closing the door to freedom of information.

Indeed, a few years ago, I remember sitting in on the hearings of the decennial review of the Bank Act. One of the things for which we were pushing very strongly was a public disclosure section in that Act which would provide that Canadians would have some idea in larger terms about the actual amount of capital that was flowing in and out of this country.

● (1600)

Almost every country has public disclosure legislation of that kind, except Canada. I believe when the Conservatives were in opposition they supported us on our public disclosure amendment, but we were not able to get it through the Liberal Government. Now, of course, when the Liberals are in opposition, they are like Ged Baldwin and the Hon. Walter Baker when they were in opposition, and are calling for public disclosure. The Liberals are supporting our amendments, which basically ask for the information which is gathered and analysed by Investment Canada to be made public.

As other speakers have pointed out, a substantial amount of the information has been kept secret. I do not know why it is that when a Party ceases to be in opposition and becomes the Government it changes its mind completely about the importance of public knowledge, public awareness and public information. I do not know why, when that Party is in government, it becomes extremely secretive in areas where there seems to be very little ground for such secretiveness. Indeed, the whole state of society can be jeopardized by that secretiveness.

Again, the amendments only ask for certain information to be made public, for example, the studies of foreign investment patterns and behaviour. They ask for information to be made public which relates to the performance of foreign business in Canada. As well, they also ask that undertakings which are made to the agency by a foreign business in exchange for approval be made public. Requests for systematic and public

monitoring of approved takeovers to ensure compliance with undertakings should also be made public. Those kinds of proposals are absolutely fundamental for a public understanding and discussion, and indeed a parliamentary understanding and discussion, of the consequences, both good and bad, of the legislation.

I cannot help but wonder if the reason that the Government is being so recalcitrant in accepting these amendments is that it has very serious doubts about whether there will be any new investment of a major proportion under this Bill. Indeed, the Government may have been listening to Wall Street and know that major, fresh foreign investment which would create jobs is simply not in the cards.

Undoubtedly, there will be some new investment, particularly in the under \$5 million range in direct acquisitions, which will gobble up much of Canada's small operations, particularly in the high-tech area. The Government is afraid that that will be attractive either to the foreign-owned companies which are already operating in Canada, or to new companies. They will be straight takeovers. New investment and new jobs will not be involved. In fact, there may even be fewer jobs. The Government must be afraid that the "new" investment which we may see will not be "new" money coming into Canada, but that it will be—as has so often been the case in the past—money which is being borrowed from Canadian banks. The Government may know that that will be the consequence and, therefore, does not want to have any information disclosed on investment patterns, foreign investment behaviour and on the performance of foreign business in Canada. It wants to continue with that secretiveness because there will not be new money, jobs and opportunities. There will only be takeovers, probably of smaller Canadian entrepreneurial-type firms, or, if they are larger companies, they will likely be taken over and funded almost entirely by Canadian banks.

I remember a gentleman who owned a small manufacturing business which produced electrical components in Vancouver. The business was doing very well. He went to the bank for a loan to increase the operation, but the bank thought it too risky. Shortly thereafter, he sold the business to an American. The American took over the business and within days received a loan from the same bank which had turned him down. The American was part of a large conglomerate, so he received the loan. In Canada we learn that sort of thing by experience. There is no public disclosure anywhere. People simply have to hear about it from persons who have been involved. In my riding, a firm was bought by a foreign company which began to lay off people. It did not fulfil its obligations with respect to creating new jobs. We hear about them, but there is no public information available to us. Even Mrs. Thatcher allowed a public disclosure Act to be passed in the United Kingdom.

If the Government is saying that it knows we will not get genuine foreign investment which will create real new jobs and that we will get only takeovers, in particular in small high-tech operations, then I suppose I have to say that I understand why the Government will not provide public information and public disclosure.