

*Investment Canada Act*

in environmental clean-up and the disposal of toxic materials. Therefore, Canadians should know the background of these companies which attempt to buy up Canadian firms that are involved in this area of toxic waste disposal.

The provisions of this Bill will never permit the Canadian public to know who is coming into Canada to buy up Canadian firms. We will not know their background and what commitments they are making to the Government of Canada when they come to invest here and take over a Canadian company. We do not know this vital information, Mr. Speaker.

● (1600)

This Government does democracy a disservice by not supporting the amendments we have introduced. A complex industrial society like ours can only function if there is a free flow of information so that the public will have the information to form its opinion and make the decisions on how the economy and this country should be run. By not allowing the public information, we do democracy a disservice and we weaken our free society. For all these reasons I support the amendments.

**Hon. Douglas C. Frith (Sudbury):** Mr. Speaker, might I say that on several occasions in the past I have talked about each one of the amendments in the motions that are here before us. Every one of those amendments has dealt to a large extent with the process, the results of the review of the acquisitions undertaken and the method by which the new Investment Canada Bill wishes to undertake those reviews. I think that nothing could have brought home to all members of the House in a better way the need for some amendments to these motions before us on Investment Canada than the situation that arose earlier this week with respect to the take-over of Canadian Porcelain Company by an American firm called the Lapp Co., New York.

Here is a situation whereby the jobs, the employment record, I suppose, and to some extent the economic importance of those jobs to the City of Hamilton have been jeopardized by the actions of a competitor from the United States which has dumped its product at below cost into the Canadian market in direct competition with the Canadian Porcelain Company. The dumping was done to such an extent that the Canadian Porcelain Company had to go into receivership. At that time the receivership was being handled by Peat, Marwick and company. In turn Peat, Marwick approached bankers and others interested in bailing out the company. Lo and behold we find that the purchaser of the Canadian Porcelain Company will be the same company that dumped its products into the Canadian market in order to put that Canadian company into receivership.

I find it incredible that we on this side of the House in the Opposition have had to ask day after day to have the Investment Canada Bill amended so that the definition of benefit to Canadians is more clearly understood in the Bill and that the responsibilities which the Minister would have to live up to are contained in those amendments that we are suggesting. I say that because here is a situation in Hamilton that I think in a

way illustrates why we must have the definition of benefit further explained in the Bill. These workers are asking themselves some very valid questions. Of what value will the take-over be of Canadian Porcelain Company by Lapp Co., of New York? Absolutely none, Mr. Speaker. It will be done with a loss of jobs in Hamilton, a loss of jobs in Canada and with a loss of economic impact in terms of the salary components in the City of Hamilton.

Workers were not informed about that take-over. They were not informed whether there was to be some provision in the take-over about their job security. These workers are basically at the mercy of the receiver, the Royal Bank of Canada, that will be funding the take-over by Lapp Co. Workers have no say in the way in which job security can be protected.

Under the Foreign Investment Review Act, the legislation that is in place today and which was put in place by a previous Government, we allowed the take-over of Canadian companies by multinationals. Let me tell you, Mr. Speaker, that when a multinational or a foreign interest decided to buy out a Canadian company we certainly asked questions; for example, what will this do to jobs in Hamilton? What will this do in terms of the investment climate in the City of Hamilton? We made sure that workers would be protected in a take-over of that kind. I think the workers in Hamilton realize this week that, thank heavens, the Foreign Investment Review Act is still in effect, and they are asking this Government and the Minister of Regional Economic Expansion (Mr. Stevens) to ask those same questions of the company doing the take-over.

With respect to that particular case, I think you are well aware, sir, that because of questions raised in the House this week the workers involved at the Canadian Porcelain Company have decided to pool all their resources and, with the aid of various groups in the City of Hamilton, including the Chamber of Commerce, labour groups and church groups have put forward a competing bid to buy back their own company. By doing that, at least the Canadian workers can ensure that they will have job security. That is something the Lapp Co., of New York will not guarantee. It is something that the present Conservative Government of Canada will not guarantee to those same workers in Hamilton.

When we are considering the review of Investment Canada, why do we not apply the situation that exists today in Hamilton to the need to have those amendments put on the books? If the previous legislation is to be thrown out of the window with the approval of the Investment Canada Bill, why are we so silent about the need to make sure that the same privisos are in this new Investment Canada Bill, namely to defend the interests of Canadian workers, because that is what they are asking. That is what they ask of their Member of Parliament, the Hon. Member for Hamilton Mountain (Mr. Deans). It is the same question I raised in the House two days ago.

I find it astounding that we have the Canadian labour movement behind a group of workers in Hamilton who are concerned about the so-called benefit to Canada of this acquisition by Lapp Co. of New York yet getting no answers from this Government. Quite frankly, they are not getting any