

Investment Canada Act

happened again demands that we make some provision in the law to permit the Minister to step in and terminate, if need be, a proposal such as the one we now see before the receiver on behalf of the Royal Bank which is handling the problems of Canadian Porcelain.

Just so Hon. Members understand the dilemma which confronts me and the workers at Canadian Porcelain, Canadian Porcelain is in receivership not totally but primarily because of the actions of a number of foreign-based companies, including Lapp Industries which dumped its product into the Canadian market and, therefore, undermined the viability of this Canadian company which had been in existence for 80 years or more. Canadian Porcelain had been producing insulators for electrical use of a quality which had met the demands of the market-place throughout that entire period, but Lapp Industries, together with others, sold into the Canadian market at below their own cost price. It was found by a tribunal to have dumped. The effect of that action by that company and others was to undermine the viability of Canadian Porcelain and therefore make it impossible for Canadian Porcelain to maintain its position in the market-place. The ultimate result was that the company went into receivership.

● (1125)

Subsequently the employees, 85 of them or thereabouts, decided that this was a good plant with a future potential and they got together with a number of community and church groups in Hamilton. They had the support of the Labour Council, City Council and I think of every Member of Parliament from the area in seeking out another way to continue to operate the plant located in the west end of Hamilton. After undertaking a viability study, they were able to convince the credit union and CUNA that this would be a useful thing for them to become involved in.

They began a process of providing the basic funding for the purchase of the assets which would have permitted the plant to continue to operate. About a week or 10 days ago they made an offer of \$1.1 million to the receiver, Peat Marwick. What they were not told when their offer was refused was that there was another offer to be considered. They asked Peat Marwick to give them an idea of what they needed in the way of financing in order to get acceptance of their proposal. They were led to believe that an offer in the neighbourhood of \$1.3 million would be satisfactory. They went back to their financial principals and renegotiated and got agreement for \$1.3 million. They took that to their co-operative board made up of employees and some others, and got approval for an offer of \$1.3 million on Friday last. They then instructed the offer to be drawn up for presentation on Monday last to the receiver in Toronto. But in the meantime the receiver sold the company. Although I am not absolutely clear on how much, we are told that the receiver sold it for an amount in the neighbourhood of \$1.25 million, and they sold it to LAPP Industries. Without having the decency to discuss the potential sale with those who were working in the plant, those who would put together the co-operative, without even giving them a chance to enter another offer, the receiver sold the plant to the very company

which had been a part of the group which had undermined the operation in the first place.

It strikes me, Mr. Speaker, that there is something dreadful wrong with that. There is something dreadfully wrong with a situation which will permit a foreign company to undermine its Canadian competitor, force it into receivership and then purchase it from the receiver to the detriment of the workers and in spite of the fact that there was an offer of something close to equal value already on the table from a group of Canadians. I think that is why we have to extend the powers of the Minister.

As you know, I have asked the Minister to step in now and stop it but I know he is going to tell me that he does not have the power. Well, I am going to tell him that we will give him the power. Bring in an amendment to any piece of legislation and we will give him the power to stop what is going on in this case. But more importantly, we will give him the power to deal with these kinds of situations as and when they arise in the future. That is what we are talking about. That is protecting Canada. That is giving Canadians a chance. That is ensuring that they are not undermined by the might and financial strength of their competitors elsewhere. That ensures that we do not see a further deterioration of Canada's position with regard to domestic involvement in our economy as opposed to foreign investment and involvement in our economy. I think it is absolutely and vitally important that amendments such as those which are before us now become part of this particular piece of legislation.

● (1130)

Mr. Iain Angus (Thunder Bay-Atikokan): Mr. Speaker, I rise with a certain apprehension, having to follow the eloquent words of my colleague. I would like to speak in support of the group of amendments that have been moved on this particular aspect of the Bill. I will focus my comments on the impact which the main Bill will have if the amendments are not accepted. Before I do that, I would like to thank my colleague, the Hon. Member for Laval-des-Rapides (Mr. Garneau), for giving up his position on the schedule to allow me to speak so that I can return to committee.

In the last six months since I became a member of the House I have heard members of the Government talk about investment and about how they perceive the world. The Minister of State for Small Businesses (Mr. Bissonnette) is here today. I urge him to consider these words. I am getting the impression that the Government feels that the only way to create jobs and improve our economy is to throw money at it. In the past we in the New Democratic Party have been accused of wanting to throw taxpayers' money at things to make them go away. That label was also applied to the Liberal Government in years past. Through this Bill all the Government wants to do is bring money in from outside our boundaries to solve everything. They believe that will end all of our economic woes.

In committee as well I am hearing that there is a need to bring in entrepreneurs. However, the definition of entre-