

Foreign Takeovers Review Act

manufacturing plant in either Moose Jaw or Saskatoon—I do not know which city has paid the most for it. Representatives of both cities have gone to Roumania to attempt to entice foreign capital from over there.

I would be the first to agree that Canada should become economically less dependent upon any other single economy and should therefore encourage a diversity of foreign investment here. The hon. member for Yorkton-Melville made a speech which was totally rhetorical, of the kind which used to be made in Saskatchewan back in the 1940's. That party has not changed its approach very much. In fact, if one looks at the New Democratic Party closely, one finds that the Waffle group within that party is bringing to the forefront the very stuff that elected the first NDP government in Saskatchewan. So, I suppose it is correct to assume that many members of the NDP would be bringing back the same sort of rhetoric.

What does this bill attempt to do? To paraphrase the Minister of Industry, Trade and Commerce (Mr. Pepin), this bill presents, in essence, a political solution to the problem. Political solutions are never good solutions to economic problems. When the Prime Minister (Mr. Trudeau) was elected he said two things to the Canadian public: first, that nationalism was not the answer, and second, that he would determine what was good for Canada and not what was good for political parties; that he would not be swayed by partisan considerations and that he would act truthfully and correctly in his best judgment for the good of the country. Here we have a piece of legislation which is brought in mainly for political reasons, and for the good of the political party which finds itself confronted with an election and a public not too favourably disposed toward it. They are trying to enhance their political image, and while doing so they might very well harm Canada's chances for real growth.

We are a trading nation and we need foreign investment. This bill provides that where more than 5 per cent of the voting rights in a public company and over 20 per cent in a private company are held by foreigners any corporation, seeking to take over such a company would have to obtain cabinet approval. True, there is a screening agency, but how good is a screening agency which recommends to the minister, who in turn recommends to the cabinet, if the agency does not make public its basic findings so that we can judge whether the cabinet is acting for political reasons or for the good of the country? Lately much has been said about the government acting for political reasons, and the Minister of Regional Economic Expansion (Mr. Marchand) has been accused of doing just that. The following statement appeared in an editorial in one of the leading daily newspapers of Canada:

Although the cabinet is accountable to parliament and the electorate, there should be a link between it and the bidder, to prevent even the appearance of decisions based altogether on political rather than economic considerations.

That, too, is my fear, particularly if the agency does not make its findings public.

Another fact that has often been mentioned, and that is particularly true of this government, is that often it appears that its right hand does not know what its left hand is doing. We see legislation coming forward which in

essence would limit, screen or control foreign investment—any of these adjectives could be applied—and, on the other hand, we see the Minister of Regional Economic Expansion handing out all kinds of grants to foreign companies to establish in Canada or to switch their location from one region to another where unemployment may be greater. We heard the Minister of Indian Affairs and Northern Development (Mr. Chrétien) advocating the development of a tourist complex in our national park in Banff and giving the contract or the tender to what might be considered foreign owned companies. I know that 30 per cent of the tender was supposed to come from a Lake Louise consortium, but that consortium is owned mostly by a person in Great Britain. This makes me believe that here is another example of the right hand not knowing what the left hand is doing.

We have the government divorcing itself from provisions which many of the provinces have brought in under their estate tax acts which have caused much Canadian capital to leave this country. The NDP governments in Saskatchewan and Manitoba have brought in an estate tax act which will cause much of the money to leave those provinces for other parts of Canada or other countries. We see this government bringing in the capital gains tax which will discourage Canadians from investing in companies that are doing business in Canada. I think that we should adopt the key sector approach. We should agree, as we have in some cases, that the banking medium should be reserved for Canadians, that newspapers, television, radio and other communications media should be reserved for Canadians. Perhaps book publishing also should be maintained by and for Canadians. Certainly, textbooks in our schools and universities should be Canadian.

Another thought that has entered my mind concerns union money, and I heard no mention of it from the hon. member for Yorkton-Melville when he was speaking about money leaving this country. On May 24, as recorded in *Hansard* at page 2505 there was an interesting question put forward by the hon. member for Toronto-Lakeshore (Mr. Robinson). The question was:

• (1620)

To the government's knowledge, how much money did Canadians pay into international unions in each of the years 1965 to 1971 respectively?

The answer shows that in 1965, \$28 million was paid into international unions and, without reading out all the figures, this had risen to \$41 million in 1969. If payments have continued to grow since then they probably total \$43 million or \$44 million now.

The second question was:

How much money was paid to Canadian union members belonging to international unions in each of the years 1965 to 1971 respectively?

This answer shows that strike benefits paid to Canadian union members totalled \$8,755 in a year in which the unions took \$28 million out of this country. All we got back was \$8,000 in benefits. The answer outlines strike benefits all the way from 1965 to 1969, a year in which they either had more strikes or paid greater benefits. In that year \$16,000 was paid in strike benefits, a year in