

with only 400 a year being killed, and with 10,000 living there, there is no danger at all. The United States House of Representatives thought otherwise. Would the minister advise whether the government intends to close the season on these animals?

● (1440)

**Mr. Chrétien:** Mr. Speaker, we do not intend to close the season because it is not 4,000 polar bears, it is about 10,000 polar bears. The population is controlled by the Canadian Wildlife Service. I have confidence in these experts. I know the hon. member thinks he is an expert, but I have been in the north in the last six years and I have talked with the Eskimos. I am sure the Eskimos will co-operate with the government if there is a need to close the hunting. So far there is no such danger, and I want to retain for the Eskimos their traditional right to hunt polar bears.

**Mr. Speaker:** Order, please. The Chair might be allowed to recognize the hon. member for Moose Jaw, following which I will call orders of the day.

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#### NATIONAL REVENUE

##### OIL EXPORT TAX—NOTIFICATION TO COMPANIES OF DETAILS OF ASSESSMENT AND COLLECTION

**Mr. Doug Neil (Moose Jaw):** Mr. Speaker, I have a question for the Minister of National Revenue. Has the minister notified all relevant companies of the assessment, collection and other guidelines with regard to the export tax and, if so, what are the general terms of agreement?

**Hon. Robert Stanbury (Minister of National Revenue):** Mr. Speaker, if they have not been notified they will be very shortly. I do not think this is the appropriate time to outline what the notices are, but I will be glad to discuss the matter with the hon. member.

**Mr. Speaker:** Orders of the day.

#### GOVERNMENT ORDERS

[English]

##### FOREIGN INVESTMENT REVIEW BILL

##### PROVISIONS RESPECTING ACQUISITIONS OF CONTROL OF CANADIAN BUSINESS ENTERPRISES AND ESTABLISHMENT OF NEW BUSINESSES

The House resumed, from Wednesday, November 21, consideration of the motion of Mr. Gillespie that Bill C-132, to provide for the review and assessment of acquisitions of control of Canadian business enterprises by certain persons and of the establishment of new businesses in Canada by certain persons, be read the third time and do pass.

**Mr. Gordon Ritchie (Dauphin):** Mr. Speaker, at the close of debate on Wednesday I was quoting from the

#### Foreign Investment Review Act

*Globe and Mail* of November 20, 1973, the comments of Mr. Kniewasser made at a seminar at the University of Toronto Faculty of Administrative Studies. Some further comments were made by Mr. J. A. Perham, Chairman of Canadian Oxygen Limited, Toronto, a company that employs 1,000 Canadians, to the effect that at its inception that company could not have met the test of proving that it would provide a positive benefit to Canada.

I think this is an example of the difficulty that will be faced by the tribunal. This company, which is owned by British Oxygen Company, has made 17 acquisitions since it was formed. Some involved a few thousand dollars and one was for \$8 million. The latter was the acquisition of a United States controlled company. I take it this is an indication this company feels that the acquisition of a U.S. controlled company is in our interests, particularly as its parent company is British.

The article in the *Globe and Mail* states that Mr. Perham noted that many of the small acquisitions might not have been approved under the new takeover legislation because they involved the purchase of small Canadian welding supply distributors. Yet, according to him, without these purchases they could not have taken over the largest acquisition, the American company. He went on to say that governments are overly concerned today about what they loosely call social justice and he felt they should be equally concerned about business justice so as not to inhibit the long-term economic growth of our country.

The president of Canadian Motorola Electronics Limited of Toronto had this to say:

Many of government's doubts about multinational firms are based more on theory than fact.

He went on to say that no one can find fault with the legitimate concern that foreign investment should meet Canadian standards and objectives but that the problem is to define what these standards and objectives are because they have not been made plain.

The need to interpret vague words like "national industrial and economic policies" or "the effect of the acquisition of establishments on the level and nature of economic activities in Canada" makes it very difficult for business to make decisions. I suggest that it is going to be extremely difficult for this tribunal to interpret the words "of significant benefit to Canada".

I submit that virtually every small business will have to be sold once the owner retires or is deceased. The present level of income taxes, the federal government's capital gains tax, and the fact that all provinces except Alberta are inflicting estate taxes on their citizens mean very heavy tax payments when the owner of a business is deceased or a business is sold. Most businesses in Manitoba of over \$300,000 capital are facing the problem of raising almost half that amount for capital gains tax and death duties should the owner die. This will mean that virtually every small business will have to be sold within the lifetime of the owner or at his death. I should think that this group of businesses, up to say the \$5 million range, will be hard hit by this new tribunal. The tribunal will obviously have to disallow many sales of businesses on the basis of the requirement that they produce "significant benefit to Canada". Most often the business would be of significant benefit to a local area but would not be of