

sold at such time as market conditions would permit recovery of the approximate original investment and, second, that they would be sold in such a way as not to damage the company or its shareholders. I think those conditions have been met and it is time to sell the shares.

However, I am a little disappointed that the Minister did not touch on some of the issues I thought would be of some concern to him and his Government. For example, I refer to the comments made in *The Financial Post* by an analyst of First Marathon Securities Ltd. The article says:

From the \$81-million bottom-line figure, he deducted a \$49.5-million gain from the sale of certain investments, \$136 million of capitalized overhead and financing charges, \$50.5 million for the amortization of frontier exploration expenses, and \$71 million from the sale of sulphur inventory, which . . . is being drawn down at such a rate that it will be gone within 2½ years.

I had hoped the Minister would perhaps avail himself of this opportunity to put to rest some of these fears, speculation, indeed allegations. It has even been suggested, not by this particular financial institution but by others, that there may be an investigation by the Toronto Stock Exchange regarding the sale of these shares and how they have increased in price. I do not know that to be true but the Minister has information at his fingertips and I had hoped he would shed some light on that. As well, this financial institution suggests that the CDC is understating its debt to the extent of \$330 million, because much of it is in U.S. dollars and the company has failed to account for changes in the exchange rate.

I am also a little concerned that the Minister failed to refer to consultations with labour organizations affected by the sale of these shares. Perhaps we will have an opportunity in committee to question him regarding that subject. I hope the information will be readily available from the Minister.

The original Act as legislated in the early 1970s, Mr. Speaker, restricted individual or corporate holdings to a maximum of 3 per cent. It did not permit foreign investors to sell shares. However, this new Bill has dramatically changed those rules. Clauses 5(a), 5(b) and 5(c) limit any Canadian or associated group of Canadians to 25 per cent of the voting shares. Non-residents are limited to 10 per cent of the voting shares. Total foreign investment is limited to 25 per cent of the voting shares. This Government seems to be pro-foreign investment and anti-Canadian investment. This legislation was originally drawn up so as to promote Canadian ownership and management, but the Minister has increased the limit of foreign ownership to 25 per cent. Some people can argue with some substance that 25 per cent is not a substantial amount. Well, it is substantial enough. I can see the point of allowing some foreign investment, but perhaps half that amount would be a more just and equitable figure.

I would like to take a moment to talk about polls. I do not like to put too much faith in Gallup polls for obvious reasons. However, I know the Government does and, in some instances, rightly so. Last July a Gallup poll was taken and it showed that the majority of Canadians polled, 51 per cent or 52 per cent, think we have enough foreign investment in this country. Yet, in the face of that fact, the Government has done the opposite. It is going against the wishes of the Canadian people.

### *Canada Development Corporation*

I am not suggesting we totally abandon foreign investment. I do not advocate that course of action. However, I do ask the Government and the Minister to be reasonable in the best interests of Canadian ownership and management. Just because one individual or Party wishes to limit foreign investment where practical—and I emphasize the word “practical”—government Members and their friends in the media should not accuse us of being anti-American. We are not anti-American. We are not anti-France, anti-Britain, or anti any other country. When dealing with the best interests of Canada one must examine, in a careful and prudent way, restrictions or lack of restrictions with regard to foreign investment.

● (1140)

I have indicated before in the House, and will indicate again, that Canadians want to own and manage their own companies and they want governments, particularly the national Government, to facilitate that process at every opportunity. I think, and I hope the Minister would agree, that the Canada Development Corporation has done that. I would ask the Minister to step back and examine the provision in this particular Bill with regard to foreign investment. We will have an opportunity to debate this in committee and to hear from the various witnesses which our Parties will want to have at the committee meeting.

In conclusion, Mr. Speaker, I would like to say that the Canada Development Corporation was conceived by a Liberal Government, and implemented by a Liberal Government notwithstanding the objections of the New Democratic and Conservative Parties. We believe very strongly that this transfer from government ownership to the private sector is right. We proposed it in 1972. The Conservatives had an opportunity to divest themselves of this at \$16 a share in 1979 but, because of the total incompetence of the Government of the day, they did not avail themselves of that opportunity. I close by saying that I want to have this Bill referred to the legislative committee in order that we can debate its provisions in greater detail.

**Mr. Steven W. Langdon (Essex-Windsor):** Mr. Speaker, it is a pleasure to add my welcome to the Minister to that of my Liberal colleague. I am particularly pleased to see him back after his recent trip because, although I should not want the House to collapse with shock, I have some words of congratulation for the Minister. I hope I can take some credit for aggressively urging him to be a little tougher in his negotiations with the Japanese because he has succeeded in getting commitments from Toyota, which are more important and more significant than the commitments we have had from other Japanese auto producers because Toyota has made it clear that it wishes to produce under the Auto Pact. That will mean a commitment on its part to Canadian content levels, which will create significantly greater employment in this country. I was very pleased about that. I was also very pleased about his success in discussions with Hyundai. Now that the Minister has heard my words of congratulation, it is possible that that will be the extent of them for this session.