

*Foreign Control of Canadian Industries*

capital from the United States, Japan and Europe was required to underwrite the exploration, delineation and development of these resources and to construct this \$100 million railroad, with all the benefits which will flow from it. I think it has already been said we would have preferred Bay Street money. However, when Bay Street money is not available we will take Wall Street money to bring about the development we must have in a new area. I mention that simply to show the situation is not as simple as might appear at first blush.

It is not by an overwhelming fear of every stranger who comes to invest money in jobs for Canadians, that we will maintain control of our economy but by faith in our own country, faith in our own resolution. I know of no foreigner who has come to this country wanting to take control away from us. Very few of them have any real interest in taking over control either of our economy or our political system. Good heavens, with the mess the present government has got us into with soaring inflation and higher and higher unemployment, who would want control but a Canadian?

A good deal of the present fuss arose from the Merrill Lynch bid to take over Royal Securities Corporation of Montreal. I think this concern is well founded. It is considerably better founded than the fuss made earlier over a United States tobacco company trying to take control of a brewery from another foreign tobacco company. After all, Royal Securities is an old, firmly established Canadian company. For some time that company has played an important role as one of 15 companies given special money privileges in exchange for contributing to an important market for short-term Canadian paper.

It is clear that firms such as Royal Securities are playing an important role, perhaps even a critical role, in the management of the economy under the direction of the Bank of Canada. I think there is a case to be made that in certain types of industry and corporate entities, a sizeable Canadian presence must be established and maintained. Obvious illustrations which come to mind are chartered banks, the broadcast media and newspapers. I think the case in respect of these is automatic.

● (8:10 p.m.)

We have been invited from time to time to put forward our own proposals with regard to certain problems affecting this country. I say to those who are here, and to the Prime Minister (Mr. Trudeau) who is not here, that

all one needs to do is to examine the records of this house to see the amendments and the proposals which this party has put forward indicating our specific and definite policies, I think it is most unfortunate, Mr. Speaker, that the government is so blind that it will not adopt these wise and sensible solutions we have suggested. It continues to ignore them. As long as the government refuses to accept some of our proposals it will continue to remain in the mess in which it is now.

There is probably a case for considering the establishment of some form of inquiry into both the general issue and specific instances. I know we have had the Watkins report, which was a royal commission. It may well be that in specific instances, where it may not be for the maintenance of a Canadian presence, we should have some form of machinery for establishing a board of inquiry. It may even be supplemented by a parliamentary committee. I think it would be fatal to suggest that this be done in every case. Of course, our jurisdiction would be restricted, naturally, to federal companies. But if those concerned realized that in certain cases of intended takeover such hurdles and obstacles had to be overcome, there would be a lot more caution displayed than has been the case heretofore.

What is needed is a careful investigation of all our major institutions; first by type or category and, secondly, by size or sub-type within each category, to see if we can come up with some agreement on this question of national identity in our business institutions. This information would supplement the Watkins report. I think there is no question in the minds of most of us that the decision with regard to the chartered banks was undoubtedly right, as it was with regard to the media, but where do we go from there? I think there is one further important step that might be taken. This question of the content of national ownership in takeovers by multinational or global companies is of world-wide concern. Canadians are not alone in their worries and fears about the consequences of the spread of multi-national corporations.

I had thought at first that perhaps we might explore the possibility of having parliamentary inquiries into these takeovers by foreign corporations, but might there not be some merit in having an international look at this question in all its implications? Could we find a forum that could undertake it? Canadians are joined in their concern here by Britains—certainly the concern in the United Kingdom, where I was a short time ago, is