

**Hon. Mr. Gillespie:** Yes.

**Senator Smith:** I wonder if I might get into another area. I was quite interested in what the minister had to say this morning about consultation with the provinces. It worried me for quite a long time and no easy solution seemed to be in sight. The minister mentioned that there had been a first ministers' meeting at which they discussed this problem. I want to point out to him that since that time the most recently appointed minister of development in my own province made a strong statement about his opposition to the bill. His story gets very good press down there. The former manager of Industrial Estates Limited is now strongly opposed to this bill. The premier himself is on the record as being opposed to it. Now, were you satisfied that they understood what you were trying to convey to them, and which I must say that this morning I was quite encouraged by; or are there still some areas, of which they made you aware, where they indicated that they were not quite satisfied with the proposed consultation process?

**Hon. Mr. Gillespie:** I think you would have to ask them as to whether or not they are satisfied. I am not sure that one ever satisfies a politician. I think you always try to improve upon the condition you are confronted with. I would say to you, though, that the consultative process that we have built into the bill, and which I have outlined this morning and to the first ministers, should provide for your province, and for any other province, a full opportunity to make its representations with respect to a particular new investment or with respect to the take-over of an existing one. I think that, as in all cases of this kind, it takes two to tango. I shall be asking the provinces very early on if they will submit to me what their enunciated industrial and economic objectives are for their province, and I shall be asking them to nominate a minister and official. Before the second proclamation, that being with respect to the establishment of new businesses, I will be meeting with them. In fact, I hope to be meeting with them to deal with the channels of communication before the first proclamation.

So it would seem to me that the voice of the provinces will be heard. The phrase I have used throughout the discussion on this bill is that the provinces will be given a voice but not a veto. I think that is probably, in as few words as I can use, a way of distinguishing it. They will be given a voice. This is a national bill concerned with national policies, and, therefore, there should be no provincial veto.

**Senator Smith:** Since this morning I have been going over in my mind examples of the kinds of industrial developments which we have had in recent years in my own province and, in fact, in all the other Atlantic provinces. I cannot think of one which would come before this review board and run into any real difficulty. I am thinking of such enterprises as Michelin Tires, the rather extensive addition to the pulp and paper industry, the substantial enlargement of the oil refining industry, which is going to become much bigger in the future with the use of our deep-water ports, and so forth. None of the enterprises which I can readily run down in my mind would seem to be subject to this bill.

I often wonder what kind of enterprises, from your point of view, you had in mind which might possibly encounter fairly rough going in any review process.

**Hon. Mr. Gillespie:** I do not think we should start out with the assumption that new investment is going to experience rough going or set a rough going over. There is no bias of that kind built into the bill, that I am aware of. I have said on many occasions that we will continue to welcome foreign investment, and that is so. This act, for the first time, will provide a method whereby the federal government can screen and assess a new investment or takeover against a national criterion, that criterion being "significant benefit". I think it has to be viewed in those terms.

Having said that, I would expect that the vast majority of major investments of the kind you have in mind, senator, would have been allowed. Some of them, perhaps, might have provided a rather larger benefit to Canada than in fact has been the case. I am not putting the investment down as being an investment which has not been of benefit to Canada, but in the circumstances it may have been that the province—if the province had been involved in the negotiations—being rather fearful in some instances that another province might get a better deal, was not able to exercise, because of its economic position, as much weight or was not able to lean on the potential investor in the way it might have to the advantage of its region.

**Senator Smith:** I understand that point very well. It is a point well taken. I am not expressing an opinion contrary to the bill, but these kinds of statements from my own part of the country do worry me. I would like the public in that region to be well aware of the kinds of statements you have made here today, particularly your reference to the attention that must be given by all concerned to the techniques that have been developed over the years for regional development. Surely, this puts your decision-making on a different stage than if it were in the hot line in Ontario? That is all I have to say.

**Senator McElman:** I would just like to say that I share the views expressed by Senator Smith, as do so many Maritimers, and I appreciate the assurances of the minister.

I would like to direct my question to Mr. Gibson, if I may. This morning he explained the avenues which were available to prospective acquirers for judicial review, and I asked him if those same avenues would be available to the provinces, to which his answer was, "No." I understand it would lie with the provinces to directly apply. Is there any mechanism whereby a province could join with a prospective acquirer to use those avenues?

**Mr. Gibson:** In the event that a province sought to be joined in a proceeding concerning the administration of this bill, the issues that would be before the court would be the obligation of determining whether the issues then before the court were a matter in which the parties seeking to be added—in the example given, the province—had an interest. The issues, as I indicated this morning, which would primarily be the subject of judicial comment would be the issue of eligibility, the issue of acquisition, and the issue of Canadian business enterprise. These are not the questions in which the essential interest of the province is involved. The primary interest of the province, in fact, is in the question of significant economic benefit which, as the minister has indicated, is an issue that would arise in the course of the minister's recommendations to the Governor in Council and thence in the Cabinet decision. In the circumstances, I cannot envisage a court being likely