

Foreign Takeovers Review Act

the hon. member for York South speak, as he did today, and try to play down that determined group of people in his party who are trying to take it over from him.

It remains a matter of wonder that a person could speak for 40 minutes in condemnation of all things American and of American intrusions in our economy without mentioning once the subject of American control of many important trade unions in Canada. I must say that the speech of the hon. member for York South did not contribute much to the debate on this important measure. He brought forward his tired recitation of eight points which on other occasions have been six points or five points. His is a sure-fire way of attracting applause from a partisan audience: take away the tax privileges of the mining and oil companies and expose them to export tax!

Mr. Orlikow: You do not believe in that?

Mr. Blair: There was no concern about the effects these measures would have on the operation of those companies. There was no concern about the jobs which they provide. There was no suggestion as to how these activities might be transferred elsewhere in the community. There was simply a flat, out and out assertion that these things should be done, can be done and must be done—irresponsibly and in defiance of the best interests of this country.

Over and above that, the hon. member talked about high finance and how interest could be lowered, without referring to inflation which looms before us always. He talked without showing concern as to how this action might encourage foreign equity owners to do even better in our capital markets than they do at present. He did not say how foreign exchange reserves might be used, by whom or in what fashion to buy back the Canadian economy.

Mr. Francis: Five billion dollars worth is involved.

Mr. Blair: As my friend from Ottawa West (Mr. Francis) mentions, \$5 billion could be devoted to that purpose. It is pie in the sky, as hon. members sitting behind the Leader of the Official Opposition (Mr. Stanfield) well know. However, it serves the purpose of obscuring from our view the fact that there is serious division in the party of the hon. member for York South which really attacks the credibility of any assertion which he may make in the House on this important problem at the present time.

• (2030)

We are talking about one of the most abrasive problems in our history. It is a problem, which, if not properly handled by this Parliament, could set province against province in Canada. It could set poor areas against wealthy areas. All this was foretold in the remarkably clairvoyant address of the Leader of the Opposition from which the minister quoted earlier this afternoon.

From time to time in Canada we have been prone to fall before the determined drive of patriotic talk. We had a high tariff imposed in this country in its early days. On a famous occasion in 1911, the opportunity to modify that tariff was lost. These discussions were carried on and all these economic issues were settled on the basis of emo-

[Mr. Blair.]

tionalism, appeals to patriotism and appeals to national loyalty. We must all face the fact that one of the reasons we have the problem of foreign ownership in our country is that the economy, which was created pursuant to these other economic policies, was one which became vulnerable to foreign ownership. It was an economy which consisted of enterprises which were structurally weak, which were not as efficient as they should have been and which in one way or another lacked the resilience to stand up against takeover bids and other incursions from abroad.

We developed an economy in this country which was not overly venturesome. No one knows this better than people like myself who come from western Canada and can remember when the great oil boom started in Alberta just after the war. Albertans had to go outside of Canada to find the money and people who had the confidence to invest in Canada's future. I see the hon. member for Palliser (Mr. Schumacher) nodding his head in agreement. This marks an historic occasion in this House.

Some hon. Members: Hear, hear!

Mr. Paproski: And Edmonton Centre.

Mr. Blair: I am almost overcome by the hon. member for Edmonton Centre (Mr. Paproski) agreeing. The "Es-kimos" may win this year.

Let us face the fact in this chamber that in many parts of Canada there are people who have a deep resentment about what the financial and industrial interests centred in Montreal and Toronto did to and for this country. When I was a boy in Saskatchewan we did not waste our time worrying about foreign owners; we talked about those awful people who inhabited Bay Street and St. James Street. I do not think a case can be made that the domestic proprietors of our economy, then or now, have always performed in a fashion satisfactory from the standpoint of Canada as a whole. Therefore I have always felt that discussion on foreign ownership as it has emerged is one which is to a degree false and misleading.

There is much evidence to show that whether or not enterprises have been owned in Canada is irrelevant to their performance in the interests of Canada. In fact, there have been many studies, starting with that of Professor Safarian in 1966, going through the Watkins report and the Gray report, as we call it, and other documents of this kind.

Mr. Stewart (Marquette): Tell us about when you left the Conservatives?

Mr. Blair: I will come to that. All these documents show conclusively that if there is any difference in the performance of enterprises in Canada, it is that perhaps the foreign-owned ones have performed rather better, taking into account all the criteria by which we measure that performance. However, we are now faced with a situation where there is a growing consensus that we have to look, not at the ownership of our economy but the way in which it is controlled and the performance it delivers in our society.

I repeat that it is impossible to argue that foreign ownership by itself is all bad or all good. The question which increasingly engages Canadians is, what are the effects of