

Foreign Takeovers Review Act

the work-money-success ethic. They were not convinced it was a proper ethic to live by. They expressed the opinion that they were on earth to be their brothers' keepers and that it was not good enough for them to make a success as General Bullmoose did; it was necessary for everyone else to achieve a measure of success or they themselves were not truly successful. So I say it is not good enough in this legislation to perpetuate the myth which has grown up in this country, that the only thing which matters is money, that money is success and that this kind of success is the criterion of worth.

My party has suggested other criteria. They are not new; in fact, they derive from the first sentence of the bill before us. If we read it, we find the minister is talking there about the national good. We agree with him that this should be one of the criteria. But the minister knows, of course, that he only put that sentence in for window-dressing. It is the preamble. When we get down to the clauses which are capable of putting it into effect, we find nothing. But we shall add it to where it counts, that is, to a number of clauses. If these criteria are accepted, the minister will find considerable support among the young people of Canada and among many of us in this quarter of the House. If not, we shall be confirmed in our notion that we are dealing only with a piece of window-dressing.

We all realize that when we talk about recovering control of the Canadian economy we are bound in practice to take into consideration the state of development of the people we represent. We have to take into consideration, obviously, the present state of the economy, the fact that in the main a dozen companies control most of our wealth. At one time, the old CCF party put out a pamphlet which was widely read. It certainly made a lasting impression on me. It said that 100 people owned Canada. I suppose, the nearest one could get to knowing who, would be to look at the list of directors in this country who have 50 or more directorships in their name.

I think of companies like A.T and T in the United States which indirectly control many companies in Canada but in which, strange as it may seem, they own practically no stock. Over other companies, of course, they exercise direct control. I think of Bell Telephone whose representatives have appeared before us many times. They have drawn attention to the great number of people who own shares in Bell Telephone Company, yet it is very odd that the company should have exactly the same structure as the Bell company in the United States.

In a situation as complex as this, it is very hard to say with certainty that the 200 companies represented at Liberal party meetings are those which control the country. If members of the Liberal party believe they do, they may be fooling themselves. These are the ones who show, the ones that come to the surface. I suppose there are other companies which exercise a far greater measure of control though in a complex and devious way. For example, we have the interlocking directorship where one director tells another, both of whom represent large interests, to move A to B while he moves C to D so they both get an advantage from E.

• (2110)

That is the kind of control that is not affected economically but is affected in terms of the political or social desires of the Canadian people. We know when a company does something considered anti-social, something that is not in the interests of the people in the area or in the interests of the country itself. Today we see another company declaring it will not produce a certain commodity and for no particular reason.

If an economic calamity occurs in the United States, which is not unlikely, it seems to me that we will be heading for another financial showdown internationally. If the United States once more decides it has been unfairly treated by other countries, as it did when it imposed the surcharge, it may take further financial action and the iceberg which is mostly submerged will rise and give a great deal more exposure. It may decide that some of the industries of this country which are both economically and socially desirable in the area should be repatriated to the United States, in which case Canada would not have to decide to screen the process. Instead, we will have to decide on the political and social implications of such a situation.

As another example, if General Motors of the United States decided to close down the General Motors plant at Oshawa, which supplies cars more cheaply to the United States than the United States can produce them, and if the same move is duplicated by other companies, as apparently it is being duplicated today, then Canada will have to make a decision that has nothing to do with economics; the decision will be a political and social one.

I am not suggesting that this would be of advantage. I am sure most people in this country are not prepared to face that circumstance, no matter the control retained over Canadian industry by other countries. After all, Canadians have been provided with a high standard of living and have always been aware of the economic situation. I think of the Spruce Falls mill in Kapuskasing owned by the *New York Times*, a foreign-controlled company that has made an effort to do better than most Canadian-controlled companies. Even the minister who presented the Gray report, probably economically as reactionary as anyone in the House, indicated that there were five or six fields in which even the minimum policy of the Liberal government will have to apply. Yet we find this bill applying to one limited field only, the easiest of all to attack, namely, the field of economics; and it is being applied in a way that legalizes what the government has had to do twice previously.

If the government really wants to take a step forward in the field of foreign ownership, it will accept these amendments which indicate only that political and social implications should be part of the decisions that are taken.

The Acting Speaker (Mr. Laniel): Order, please.

Mr. Bruce Howard (Parliamentary Secretary to Minister of Industry, Trade and Commerce): Mr. Speaker, I have been following this debate since eleven o'clock this morning and once again the House of Commons finds itself in its classic stance. We have a party on one side saying that