

I think, a very good substantiation of the wisdom of moves in the direction of favouring the manufacturing over the extractive industries in Canada.

I want to refer briefly to the two part program of financial and advisory assistance for improved management in industry which was announced several months ago by the Minister of Industry, Trade and Commerce (Mr. Pepin). The first part deals with development of management courses and is designed to encourage the improvement of managerial competence in industry by helping professional, industry, business or management associations to develop or revise management training courses. The second part of the program is called, Counselling Assistance to Small Enterprises. This will be developed in close co-operation with the Canadian Executive Service Overseas. Moves of this kind by the government, large or small, are to be greatly welcomed. In fact, to my mind no solution to the problem of foreign investment can be found in isolation from a general industrial policy. I believe that our present industrial policy is no longer entirely satisfactory. It is still too close to the traditional policy of keeping our tariffs high and encouraging foreign businesses to locate here without requiring other qualifications and protections.

In addition, there should be tremendous emphasis on science and technology, a move toward rationalization of our industries, a tax policy which favours even more the manufacturing over the extractive industries, and, something which is particularly important, further capital assistance to small businesses in Canada which wish to expand, especially small businesses which are capable of technological development. I believe this industrial policy should be worked out with business and labour leaders and with the provinces, and not represent a policy merely imposed by the government of Canada. In a matter as complicated as this, and in a society which has become as democratic as ours, it is no longer enough to impose industrial policy from above. Not only must it be worked out carefully, but it must be worked out along with those involved in it.

I personally believe that a general industrial policy will require some further negative measures by way of control of foreign investment, such as the measure in Bill C-201, but the over-all emphasis of the policy should rather be a positive one, to encourage the development of Canadian and Canadian-owned industry. The difficulties of formulating a total policy all at once are indicated by the floundering of the official opposition on this subject. The New Democratic Party may be misguided, and in my opinion it is, but at least its answer is unambiguous. Because the bill is not everything they want, they are against it. The official opposition is ambiguous all the way through. On one hand, they say that the bill does not go far enough. On the other hand, they say it should not go anywhere because it does not have the agreement of the provinces or for one of several other reasons.

The last paragraph of the speech of the hon. member for Edmonton West (Mr. Lambert), and I regret the fact that he is not in the House at the moment, is a masterpiece of obfuscation. It does give credit to his ingenuity, but not much credit to his convictions.

Foreign Takeovers Review Act

I will pause for just a moment to find the text of the hon. member for Palliser. In his address to the House yesterday, the hon. member spoke of this bill as another addition to the long list of power grabs—some defeated, some successful—by this government from the provinces. He seems to imply in the context that this bill has something to do with the spending power. If I had the time, I would be happy to indulge in a learned disquisition on the spending power of the federal government, a power which does not seem to be accepted by the hon. member for Palliser. Members of his party can say whether they share his view. I am sure that all members are aware that the government of Canada has proposed limitations on its spending power which could be adopted if there were a general constitutional settlement with the provinces. The fact is that this bill is not linked to the spending power at all. It could easily be defended under section 91(25) of the British North America Act, which gives power over aliens. It is this power over aliens which gives the government the right to legislate on matters such as this, along with other powers which can be used for the same purpose. The constitutional power of the federal government is not at issue. What is ultimately at stake is whether or not the federal government should proceed without the participation of the provinces, and that is quite a different matter.

• (1700)

I am not able to decide whether the proposal made by the hon. member for Egmont (Mr. MacDonald) is a red herring or whether it is meant to be taken seriously. I refer to his proposal that a super review body should be set up consisting of nominees of the federal government and of provincial governments. I find it hard to believe he is seriously suggesting that the whole direction of the Canadian economy should be dictated by a group of appointees.

Opposition arguments with respect to the details of the bill were best presented in the speech of the hon. member for Selkirk (Mr. Rowland). One of the arguments put forward was that the screening agency to be set up is not an independent agency. My reply would be similar to that of the hon. member for Egmont. The power to control the Canadian economy in this way would be, in my view, too great a power to be placed in the hands of an independent agency. Such a power, with all the responsibilities it involves, should be placed in the hands of the elected representatives of the people. I might recall at this point that the attack directed by the NDP toward the Canadian Development Corporation was precisely on the grounds that the Corporation was too independent. The same kind of argument would apply *a fortiori* to what is, implicitly, their proposal here.

Mr. Rowland: Would the hon. member not agree with my assertion, not so much that it should be an independent screening agency as that the Department of Industry, Trade and Commerce is the wrong organization to perform the screening function, because of a conflict of interests in its necessary duties?

Mr. MacGuigan: No, Mr. Speaker, I do not agree. It seems to me the Department of Industry, Trade and Commerce has available to it the expertise necessary to deal