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tors to take over Canadian companies were approved. Therefore, I do not take the protestations of the Liberal Members of Parliament today too seriously.

This is an extremely important question we are debating today. The world is going through a new industrial revolution. The days when the industrialized countries, including Canada, produce manufactured goods that are sold to the underdeveloped countries and paid for by those countries through the sale of raw materials and foodstuffs that they produce are no longer here. Today, those manufacturing operations which were carried out by the industrialized countries are now taking place increasingly in countries like South Korea, Hong Kong, Singapore and Brazil. The traditional manufacturing industries in the western world that provided jobs for millions of people are under severe attack. The number of people employed in those industries has reduced sharply and it continues to decrease. Canadians are being told every day by Government, industry and academics that we must be more efficient through the use of new techniques and investment in new technology. Unfortunately, these are only lectures.

Currently, in the United States and Canada we are seeing large corporations use borrowed funds to purchase companies which have no relation to the operations of these large corporations. For example, in the United States these companies are discovering that these purchases made a few years ago have been an inefficient use of their capital. Very often, these companies are now absorbing large losses and divesting themselves of those companies which they purchased a few years ago.

For example, Mobil Oil is one of the largest corporations in the United States. A few years ago it purchased Montgomery Ward, one of the largest retail and mail order corporations in the United States. Mobil Oil is now selling Montgomery Ward and taking a loss.

Mr. Fraleigh: Mr. Speaker, I rise on a point of order. I have read the motion. I cannot see anything in it that could possibly relate to what the Hon. Member is saying at this time. Perhaps he could indicate how the takeover of Montgomery Ward by Mobil relates to the Mitel takeover or Investment Canada?

Mr. Deputy Speaker: Perhaps when the Member for Winnipeg North (Mr. Orlikow) is finished he will make it relevant to the motion.

Mr. Orlikow: If the Hon. Member will listen, he will see that I am illustrating what is happening with takeovers in the United States and Canada. I will come to Mitel soon as a glaring example of what we ought not to permit.

Some years ago Mobil purchased Montgomery Ward. It is now disposing of that company. It has said publicly that it will take a loss of \$500 million in that transaction.

We usually follow the American example of how to do things in Canada some years after they have tried something. However, we do not take the trouble to learn from the American experience. Large corporations in Canada are now involved in takeovers by borrowing money from the banks

which could be much better used in encouraging the development of new technology and better systems. For example, Bell Canada recently bought a controlling interest in TransCanada Pipelines. While that may benefit the shareholders in Bell, what does it do for the people of Canada? Is there one new job created by this purchase?

Mr. Dick: It is not Bell Canada that bought it. It is Bell Enterprises.

Mr. Orlikow: The Hon. Member says that it was not Bell Canada, but Bell Enterprises. Bell Enterprises has been built and established on the profits which the Bell Telephone Company made by overcharging its customers.

Bell is not alone. Other examples include Olympia & York which tried to buy the Chevron oil company. There is the example of CP Investments which bought a paper company. There is Power Corporation which is not satisfied with its present structure and is expanding. None of those acquisitions added one job or made Canadian industry and business more efficient. Rather, these dealings soaked up money that should have been put into productive investment.

Mitel is being sold to a foreign business despite the large public investment in that company made by Governments. That company is involved precisely in the field that we are told future jobs and technology are taking us. Control of that company is slipping out of Canadian hands. The Government has failed to act to repatriate Prentice-Hall, a Canadian publishing company which is vital to the encouragement of Canadian publishing. It has done so in spite of the fact that the Government, in its Investment Canada Bill, says that it will screen foreign investment in industries "related to Canada's cultural heritage or national identity".

The Association of Canadian Publishers appeared before a parliamentary committee and called upon the Government to express its commitment to Canada's cultural industry by allowing the patriation to Canadians of Prentice-Hall. Nothing has been done by the Government in that respect.

I suggest that the replacement of the Foreign Investment Review Agency with Investment Canada, which is being done by closure, indicates the same impatience that the Government is showing to the whole question of foreign investment.

Let me give some facts about Mitel. It is the second largest manufacturer of telecommunications equipment, with sales of \$255 million in 1983. It grew remarkably quickly, with an average annual growth rate of 132 per cent, from 1975 to 1983. It built its reputation on high quality products and the ability to sell them throughout the world. It was a success story until 1983. That year the growth rate was only 25 per cent. The seeds of Mitel's troubles were sown. Since then Mitel's difficulties have become well known. It had problems with new lines of products, including the Superswitch. It had losses and lay-offs in the company's operations which included a \$32 million loss and the termination of employment of 600 other workers in 1984. The answer for this downturn in a business which had grown so spectacularly was simple to one corporate directors, a good old fashioned capitalist takeover