

dential information in the possession of any company. We are not talking about business information. We are simply talking about research and analysis which will have been conducted by the Minister or by the agency under the authority of this legislation.

Motion No. 12 provides for similar disclosures. Again, under this legislation, the Minister must ensure that notification and review of investments are carried out in accordance with the Act. Again this appears in Clause No. 5. Motion No. 12 would add a further subclause (g) under which the Minister would be obliged to regularly compile and make public information, where not expressly prohibited by federal legislation, pertaining to the performance of Canadian businesses owned and controlled by non-Canadians.

One of the important reasons for having a requirement of this nature was brought up during the course of the committee hearings by the Chairman of the Science Council of Canada, Dr. Stuart Smith, who proposed an amendment to the Act which would allow the Government to review foreign takeover bids for Canadian enterprises that have received over \$100,000 of federal money for research and development in the preceding five years. This amendment which was proposed was, as I understand it, defeated in committee and was ruled out of order by the Speaker as being outside of the four corners of the Bill.

I think it makes sense that takeovers in situations where companies have received substantial assistance from the Canadian taxpayer for research and development be subject to review. Indeed, when this suggestion was made there were comments from the private sector which indicated that when companies have undertaken research and development without any assistance from the taxpayer there is no reason, other than a moral reason, that they should be accountable to the Canadian public. However, when such assistance has been furnished by the Canadian taxpayer, it seems eminently reasonable that such takeovers should be subject to review.

As I mentioned previously, this amendment was not accepted in committee. However, Motion No. 12 which is now before us would oblige the Minister to compile and make public information pertaining to the performance of Canadian businesses owned and controlled by non-Canadians, and this information would of course be compared with information regarding the performance of Canadian businesses owned and controlled by Canadians. This would give Canadians the opportunity to review the performance of foreign-owned companies as opposed to Canadian-owned companies in the area of research and development.

Another amendment we are debating today is contained in Motion No. 63. I was very interested to hear the remarks made earlier by the Hon. Member for Ottawa Centre (Mr. Cassidy). He said that the previous Government was just as secretive as we are accusing the present Government of being. I would simply point out that the amendment in Motion No. 63 indicates that the Minister should make public his ruling, including all undertakings made in connection with the investment.

### *Investment Canada Act*

I have with me a sample undertaking from a firm which made an acquisition under the auspices of the Foreign Investment Review Agency. Several years ago, a certain company acquired control of a Canadian company. At the time the acquisition was announced, it was announced that the foreign company had undertaken to expend certain amounts of money for the purchase of plant and equipment, to export actively a certain percentage of its sales, and to give the Canadian-owned company a mandate to export a line of products world-wide. There is no guarantee in that type of undertaking that those undertakings will be made public under the present legislation. However, if this motion is accepted, they will be made public.

● (1630)

**Hon. William Rompkey (Grand Falls-White Bay-Labrador):** Mr. Speaker, I would like to repeat certain points which have been made with respect to the motions which are before the House because I do not believe that they can be made too often. The motions deal with the need for a greater openness about the results and the reviews of the acquisitions which are undertaken.

I am concerned about the effects which foreign takeover will have on certain areas of the country, especially those areas which are underdeveloped and more vulnerable than others. In particular, I am referring to Atlantic Canada and my province of Newfoundland.

As the Hon. Member for Bonavista-Trinity-Conception (Mr. Johnson) will know, a group of people appeared before the Standing Committee on Fisheries and Forestry yesterday who spoke about an area in which private enterprise is very vulnerable. I am concerned that foreign companies will be allowed to come in holus-bolus to any area of Canada and take over companies in areas in which Canadian companies are struggling for survival.

While the fishery is in a very difficult situation in Newfoundland, it is the small private companies about which I am concerned. I am glad to see that the Minister of State for Small Business (Mr. Bissonnette) is in the House today, because he will know from my remarks that it is the small fishing companies in Newfoundland which have survived and done very well. It is the larger companies in Newfoundland which have not done very well. I am afraid that foreign companies will come into Newfoundland, without reference to Newfoundlanders, and take over companies in a holus-bolus fashion. This Bill gives the Minister the right to let that happen without reference to Parliament or Cabinet. There is no requirement for consultation. A foreign company can come in, in the dead of night, and take over an operation in which a small-businessman is struggling to survive.

The Bill may make some sense in principle, but certain aspects of it require a closer look. One of the amendments which is before the House asks for consultation with people in the underdeveloped regions. There is nothing in the Bill to target foreign investment. A foreign company from any country could suddenly decide to invest in Canada. That company will go to the area which has the best prospects. There should