

*Investment Canada Act*

motion tends to haggle over which fraction of share control constitutes Canadian control. We make the submission to you, Sir, that what constitutes control is a proper point of debate. We have put a number of submissions during committee that make that case. We are simply incorporating that in the amendment and not changing the principle of the Bill. We feel that the level of what constitutes control may be a debatable item.

**Mr. Speaker:** Was I to understand that that comment with regard to Motion No. 78 also applies to Motion No. 79?

**Mr. Axworthy:** Yes, Sir. I am sorry, I should have made that clear. Those comments apply to both motions.

Again, we would provide no comment on Motions Nos. 80 to 88.

Finally, on Motions Nos. 90 and 91, Clause 44 of the Bill already provides for the Minister to make reports for operations under the Act. Motions Nos. 90 and 91 simply define more clearly what those reports should contain. Again, I would submit, Sir, that discussions during committee were very clear on this point. There were representations that there should be some ability to assess and determine the impacts of various investments.

In no way are we infringing upon the Royal Recommendation. It is already provided that the Minister must make a report. These motions simply further define what that report may contain so we may answer some of the questions raised by many of the interest and industrial groups which appeared before us.

I thank you very much, Mr. Speaker, for hearing my arguments. I know you will take them under your kind and wise consideration.

**Mr. Steven W. Langdon (Essex-Windsor):** Mr. Speaker, first let me say that we find perfectly acceptable a good many of the decisions and suggestions you have made. Let me, if I may, make comments on a few of them. I have tried to order my comments on the basis of your particular numbering system.

If we begin with your No. 4, this may confuse us because No. 4 deals with Motion No. 5, but I hope it will in fact work out for the better. You have suggested, Mr. Speaker, that Motion No. 5 restricts the Minister's assistance to Canadian-owned businesses to exploit opportunities for investments and technological advances and thereby violates the principle of the Bill as agreed to at second reading. As I understand the principle of the Bill, it does two things. First, it provides support for investment in Canada by Canadians and non-Canadians. Second, it provides for different categories into which different businesses fall. Certain businesses have no responsibilities whatsoever with respect to this Act. Those are Canadian-controlled businesses and established foreign-controlled businesses. With respect to those businesses which are new businesses being established by non-Canadians, they are required by the Act to make notification of their investments. They are treated in a specific and separate way.

Third, there is a group of firms which consists of non-Canadian firms taking over Canadian firms. Again, they are treated in a separate way because they are subject to review if they are above a certain threshold. Again, that is a slightly different category. Finally, there are non-Canadian firms which are active in the area of cultural heritage or national identity, and they are also treated in a separate way.

● (1130)

Therefore, I think that the purpose of the Bill provides for discrimination with respect to the different categories of enterprise. It is that reflection in the purpose clause, and the subsequent reflection in the details of the Bill, which has led us, in a number of the motions which we have put forward, to suggest slightly different ways in which this discrimination could be precisely demarcated. It seems to us that the discrimination is evident in the purpose of the Bill.

With respect to Motion No. 5, we are suggesting that the discrimination which is evident in the purpose clause of the Bill could also be reflected in discussing the obligations and responsibilities of the Minister; not with respect to all of the activities of the Minister, but with respect to the seven different responsibilities which are set out in Clause 5. In this motion we are suggesting that one of the responsibilities should be aimed at Canadian-owned businesses. We are not suggesting that with respect to all the activities, because we agree that that would run counter to the purpose of the Bill. But we believe that since the Bill allows for discrimination it should be possible to reflect that discrimination to some degree in the activity of the Minister.

With respect to decision No. 9, which deals with motion No. 13, again we are talking about Clause 5 of the Bill which sets out the responsibilities of the Minister. It strikes me that that clause is a rather unusual clause to have within a Bill. It includes a great many activities of the Minister which are actually quite separate from the activities of the review agency. One of the activities which has traditionally been the responsibility of the Minister of Regional Industrial Expansion has been to promulgate certain codes of conduct for foreign-controlled enterprises within Canada.

For example, in 1975 the then Minister tabled new principles for international business conduct. That dealt with quite a number of the points which we have included in Motion No. 13. We felt that since Clause 5 was attempting to summarize the responsibilities of the Minister with respect to the different categories of enterprise, it was, indeed, proper to include within that a recognition of the Minister's responsibility which has been traditional and which the Minister has exercised to establish and monitor such codes of conduct. In fact, if that were excluded from the points which "the Minister shall" do, it could be taken as a step backward from previous policy, which has included the establishment of the codes of conduct. Again, without entering into the substance of it, our point is that this has traditionally been an area of activity for the Minister, with respect to foreign investment, and it seems to us