

S.O. 22

Will he trust his health to the Minister of Fisheries and Oceans, or will he dismiss him and turn to science?

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[Translation]

FEDERAL-PROVINCIAL AFFAIRS

AUXILIARY AGREEMENT ON TOURISM SIGNED WITH QUEBEC

Mr. Fernand Ladouceur (Labelle): Mr. Speaker, I would like to recall two events that reflect very significantly the new role this Government intends to play in the area of federal-provincial relations.

On December 14, 1984, our Government and the Government of Quebec agreed to sign a regional economic development agreement that was to be the prelude to a new climate of national reconciliation. Subsequent to this agreement, on January 16, 1985, the Minister of State for Tourism (Mr. Murta) signed a subsidiary agreement on tourism with the Quebec Minister of Intergovernmental Affairs.

Mr. Speaker, yesterday I had the pleasure of attending a press conference where the Minister of State for Tourism and his provincial counterpart announced two major contributions to the tourist industry in the riding of Labelle, one at Mont Saint-Sauveur in Saint-Sauveur and one at Chanteclair in Sainte-Adèle. These two contributions, which support initiatives by the private sector, reflect the importance of tourism in our region's economy. In concrete terms, it means that more than \$6 million will be contributed by both governments and more than 240 jobs will be created, while existing jobs will be maintained.

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[English]

INVESTMENT CANADA

CALL FOR REVIEW OF MERGER OF ALLIED AND SIGNAL CORPORATIONS

Mr. Dave Dingwall (Cape Breton-East Richmond): Mr. Speaker, the replacement of the Foreign Investment Review Agency by Investment Canada was intended, so we were told, to encourage new foreign investment in our country. It was surely not intended that it would oversee the outflow of foreign capital already in Canada. Yet that is exactly what will happen if the proposed merger of two American companies goes through. The \$5 billion U.S. merger of Allied Corporation of Morristown, New Jersey, and Signal Corporation of LaJolla, California, which will effectively give control to Allied, includes a rather clever little reverse deal involving the Canadian subsidiaries of the two companies.

This deal would lead to \$458 million of investment capital flowing out of Canada, and entail a loss to Canada of \$69 million in federal taxes. These two companies have agreed that, prior to the consummation of their deal, Signal Corpora-

tion's Canadian subsidiaries will buy out certain of Allied's Canadian subsidiaries for \$330 million U.S., in cash or promissory notes. They have further announced that any proceeds from the Canadian transaction would be used to retire the indebtedness of Allied Corporation in the U.S. The net effect of this gentleman's agreement is that Signal's Canadian subsidiaries will end up paying money to Allied Corporation in the U.S., which would then use that money to reduce the cost of taking over Signal Corporation itself.

I urge that both the Minister of Regional Industrial Expansion (Mr. Stevens) and the Minister of National Revenue (Mr. Beatty) review the details surrounding this shuffle immediately and see to it that under the loose rules of the—

Mr. Speaker: The Hon. Member's time has expired.

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ENVIRONMENTAL AFFAIRS

INTERNATIONAL CONFERENCE ON ACID RAIN

Mr. Stan Darling (Parry Sound-Muskoka): Mr. Speaker, I wish to bring attention to a very important international event taking place in my riding as I speak. Over 600 learned men and women from 17 countries are attending the Muskoka acid rain conference from September 15 to September 20. They have assembled to address this important environmental issue from the scientific perspective on behalf of mankind.

The Government's new Minister of the Environment (Mr. McMillan) opened the conference on a very positive note by admitting the politicians of the world are lagging dangerously behind in environmental affairs. He noted the need for positive action within the year, and there is no doubt in my mind that this will come to pass in Canada.

International symposia such as the one held in Muskoka are crucial in the movement toward acid rain abatement. We must learn conclusively whether acid precipitation is indeed affecting human health. When the results are in, we must move swiftly to ensure future generations are not stricken because of our mistakes and shortsightedness. This is the third such conference ever held, and the first held in Canada. Let us be the first to pick up the torch and run headlong into the future toward a cleaner environment.

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● (1410)

FISHERIES

SALE OF CANNED TUNA—EFFECT OF MINISTER'S RULING

Mr. Jim Fulton (Skeena): Mr. Speaker, the Minister of Fisheries and Oceans (Mr. Fraser) has not only endangered the health of Canadians by overruling his own scientific staff on the sale of tuna that was deemed unfit for human consumption, but has endangered our national and international reputation as a producer of superb quality fish products for the