

Limiting of Foreign Ownership

fer to other foreign investors will be permitted.

• (8:10 p.m.)

A further point concerns foreign enterprises now engaged in uranium exploration which have not yet established the presence of commercially productive uranium deposits. Such enterprises will be given a certain period of time within which to establish the commercially productive capacity of their properties in order to qualify for the exemption from the ceilings which will be available to present foreign owners of existing mines; otherwise they will be regarded as new mines. Finally, the government may wish to bring forward special conditions applicable to enterprises in which one or more foreign governments may have a substantial interest.

In this statement I have sought to inform the House as promptly and as fully as possible of the criteria which the government will apply in this matter. The preparation of detailed regulations reflecting these criteria, in the course of which there will be consultation with interested parties, will go forward with all possible speed and we shall make the results known as soon as possible.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, this is another occasion on which one is supposed to make an instant comment about something upon which the minister, hopefully, has reflected for some time. Let me just say for this evening that it has not yet really been made clear why the government should announce a particular policy with regard to uranium.

I think the House and the country are entitled to a more adequate explanation than has been given so that the question can be adequately judged in respect of why special regulations are required concerning uranium as distinct from other natural resources because, rightly or wrongly, it is generally assumed the government has other methods by which to ensure the regulation of uranium mining in Canada. Whatever differences of opinion there may be concerning whether there should be restrictions in respect of foreign ownership of resources in Canada, I do not think the government has yet made clear why special measures are taken with regard to uranium. The only explanation that has been available to any of us is that a transaction has taken place which provoked, or at least induced the government to interfere in a transfer that was proposed.

I think the government ought to give the country a more adequate explanation concerning the step that is being taken, not with regard to the control of uranium mines but with regard to the control of the companies mining uranium as distinct from the control of companies mining other minerals in Canada. Second, I thought the minister would have given some explanation tonight concerning why 33 per cent is the magic figure to be used in limiting the extent of foreign ownership of a company mining uranium in Canada. It is not obvious to me, for example, why 33 per cent should be the limit when generally speaking, as a matter of arithmetic, something over 50 per cent represents actual control and there may well be circumstances in which something less than 33 per cent could actually provide working control.

We all know there are large corporations in North America and in the world in which less than 33 per cent control of the shares actually gives working control for all practical purposes. So I would think that in the very near future the minister ought to give a more adequate explanation concerning why 33 per cent is the magic figure. On the one hand, it might be high enough to permit the defeat of the purpose the government has in mind; in other words, it might be high enough to permit people from outside the country obtaining practical control over a company. On the other hand, it may be restrictive in respect of enabling a Canadian corporation which has a 51 per cent interest obtaining sufficient equity participation to make possible the opening of a mine even though it does not involve control. The 33 per cent might be unnecessarily restrictive.

As of tonight there does not seem to be very much sense in this particular figure being chosen. These are about the only instantaneous remarks I should like to make, Mr. Speaker.

Mr. Max Saltsman (Waterloo): Mr. Speaker, I too am somewhat uncertain why the minister chose to make this statement in the rather cryptic way it was made today. The whole issue of the government's concern about uranium leaves more questions unanswered than answered. I do not wish to argue about this. To begin with, however, I am sure there is a good reason for the government's move in this case. I am pleased that some action is being taken in this regard. I am somewhat unhappy that the government has not been more frank with us on this issue, because as