

● (1520)

**Mr. Trudeau:** Mr. Speaker, as far as I am aware, the government has no legal means to hold up such a transaction even if it found it desirable to do so. The full import of my statement today is that we want to have more knowledge in order to know whether this type of concentration of economic power is in the public interest. Certainly, at this time there is no intention on the part of the government to attempt to hold up this particular transaction. To repeat, even if we wanted to do so, we do not have the legal means. Of course, it may be that the concentration of power after the contemplated merger takes place will be such that there may have to be some action taken under the present Combines Investigation Act in certain areas; but that is a hypothetical situation for the time being.

**Mr. Stanfield:** Mr. Speaker, it is pretty difficult to unscramble an egg, but in any case I thank the Prime Minister for his frankness. I would ask whether it is going to be a matter of government policy, now, not to request a particular deferral or postponement of action unless the government has the power to enforce it. It seems to me—I have noticed this on a few occasions, at least—that in the past the government has made requests of people in business and in other forms of life in this country not to do something when the government did not have the slightest vestige of legal power to justify it, but sought co-operation and nearly always obtained it.

**Mr. Trudeau:** That is true, Mr. Speaker. I do not mind confessing that the setting up of this royal commission is an indication by the government that it is not clear to us what will be the effect of the proposed takeover of Argus by the Power Corporation. Perhaps it is clear to the opposition and, if so, I will be glad to entertain any representations on this from the Leader of the Opposition.

As far as we are concerned, we are not able to reach any clear conclusion at this time as to whether this might improve the economic efficiency of the Canadian system, whether it would produce more, or less, jobs or whether it would make Canadian companies more, or less, able to compete in international markets. These are very difficult questions. I repeat that we would not be setting up a royal commission if we had some definite views on this proposed takeover or on the general theory of the concentration of economic power.

The examples the hon. gentleman refers to were areas where the government was able to state policy and back up that statement by proposed legislation, but we are not in this position with regard to the takeover to which the hon. gentleman refers.

**Mr. Broadbent:** Mr. Speaker, my question to the Prime Minister relates to his understanding of the words in the terms of reference which indicate that the commission will investigate economic and social implications. With regard to the social implications, I would ask if he understands that to mean that the commission will investigate, in the context of looking at corporate power, such ideals as equality of opportunity in Canada, for example. Is it the government's intention that this kind of social implication will be looked at? If the conclusion is reached, after

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assessment of the concentrations of corporate power in Canada, that the ideal of equality of opportunity is a contradiction in terms in such a society, will this commission have the right, as the Prime Minister understands it, to recommend certain steps to make a fundamental change in the corporate power that might be required to achieve equality of opportunity?

**Mr. Trudeau:** Yes, Mr. Speaker, the commission will have the right to recommend what it sees as the best means of pursuing greater economic and social justice in Canada. I doubt very much that this commission would want to take ideological positions such as those for which the NDP is perhaps searching. I do not think it would want to take such ideological positions. I imagine that, quite to the contrary, it would try to make the market economy more efficient and just in Canada. This is the general framework within which we are operating. However, the word "social" has been put in there with the positive desire to make sure we are not looking only at the economic consequences of such concentration of power.

**Mr. Broadbent:** Just to be perfectly clear on the Prime Minister's answer to that question, Mr. Speaker, is he saying it is his understanding that the terms of reference of the commission, however broad they might be, should not go beyond the operations of the current kind of market economy we now have in Canada?

**Mr. Trudeau:** No, Mr. Speaker. I believe that the expression "market economy" is a very general expression that covers market economies as they will exist in time, and market economies as they now exist. The hon. member should know that there have been a great many variations in market economies both geographically and in time.

**Mr. Broadbent:** I have one final supplementary question, Mr. Speaker.

**Mr. Speaker:** Order, please. The hon. member for Oshawa-Whitby will observe that I am in some difficulty in attempting to limit this kind of question period. Another member of his party also seeks the floor. I will not be able to see everyone who wants to ask a question, because in attempting to apportion the time I have to limit the individual time in some way.

[*Translation*]

**Mr. Caouette (Témiscamingue):** Mr. Speaker, I have a supplementary question for the Prime Minister.

According to his statement about that royal commission of inquiry, private enterprise will of course be well monitored so as to determine whether or not there is too much concentration. Giving the Prime Minister an example, I wonder whether the royal commission will go further than he suggested in his statement. For example, if at a certain moment corporations are brought under public ownership, as was the case with insurance companies in Manitoba, and if after one, two or three years that public ownership results in lost profits for private enterprise, and I am thinking about the \$25 million auto pact deficit in Manitoba, this is certainly not profit! Will the commission be empowered to tell the Parliament of Canada whether nationalization by provinces will also be monitored and examined by the commission so as to determine whether