

*Inquiries of the Ministry*

affected by addiction to alcohol and, if so, how much?

4. What was the 1968 federal revenue from the sale of spirits?

5. What was the 1968 federal expenditure on promotion of temperance?

Return tabled.

**ORAL QUESTION PERIOD****COMBINES****POSSIBILITY OF MONOPOLY IN ACQUISITION OF BREWERIES BY CONGLOMERATES**

**Mr. Eldon M. Woolliams (Calgary North):** I wish to direct this question to the Minister of Consumer and Corporate Affairs, Mr. Speaker. Has the minister given any instruction, or does he intend to give any instruction, to the Director of Investigation and Research under the Combines Investigation Act to examine and look into the possibility of conglomerates developing a monopoly or monopolies prejudicial to Canadian interests, in view of the fact that certain multi-million dollar United States tobacco corporations have offered to purchase a controlling interest in one of Canada's largest brewery companies?

**Hon. Ron Basford (Minister of Consumer and Corporate Affairs):** I take it the hon. member is referring to the offer by Phillip Morris to acquire shares in Canadian Breweries Limited.

This would appear, as we now understand it, to be an offer by one foreign-owned multinational company to acquire control from another, namely, Rothmans of Canada. The director of Investigation and Research under the Combines Investigation Act is aware of these reports but no violation of the Combines Investigation Act would appear at this time to be indicated. The offer would appear to be in the nature of a step toward a conglomerate merger, which is not an offence, or would appear not to be an offence under the Combines Investigation Act.

The whole question of conglomerates is of course one which is very much on our minds and the Director of Investigation and Research is presently in Europe as chairman of a working group of the O.E.C.D. which is concerning itself with the control of multinational corporations.

**Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands):** May I ask the minister whether he and his department are preparing any legislation to deal with the problem of conglomerates, mergers and combines?

[Mr. Mather.]

**Mr. Basford:** As is well known, the government referred the whole question of competition policy, monopolies and mergers and restraint of trade to the Economic Council of Canada some time ago, and I am expecting a report from the council on this whole question in June of this year, at which time a complete revision of the combines legislation will be undertaken.

**Mr. G. H. Aiken (Parry Sound-Muskoka):** Will the minister take an early opportunity to make a statement on motions clarifying the attitude of government toward the displacement of existing Canadian ownership by conglomerates, involving either Canadian or foreign capital?

**Mr. Basford:** I should be happy to make a statement at any time relative to the Combines Investigation Act or its revision. However the larger question of foreign ownership and investment in Canada is the ministerial responsibility of my colleague the Minister of Finance, and any such statement should I think come from him.

**Mr. Aiken:** Mr. Speaker—

**Mr. Speaker:** Order. I believe the hon. member for Nanaimo-Cowichan-The Islands has a supplementary.

**Mr. Douglas (Nanaimo-Cowichan-The Islands):** Mr. Speaker, I have a further supplementary question that I will direct to the Prime Minister. In view of the recommendations contained in the Watkins report to the effect that a government agency should be set up to carry on continued surveillance of foreign takeovers, has the government in mind setting up such an agency in the near future?

**Right Hon. P. E. Trudeau (Prime Minister):** Mr. Speaker, we have not reached such a conclusion yet, but the subject is under consideration.

**Mr. James A. McGrath (St. John's East):** Mr. Speaker, may I direct a supplementary question to the Minister of Consumer and Corporate Affairs. In view of the widespread interest in this matter and the threat that it poses to Canada's sovereignty, on the minister's own admission in his answer to the last question when he said this matter covers more departments than his own, would he give consideration to having this matter referred to a standing committee of this house?