its arm's length relationship with its customers and is bent toward furthering the finances or the corporate goals of the parent company rather than those of the ordinary people who have put their money into these companies because they believe in the free enterprise system.

I remind the Minister of the activities of that well known Conservative Peter Pocklington. He used the trust company which he controlled to help in his real estate speculation. Then there was the case of Leonard Rosenberg and his trust companies, Seaway, Greymac and Crown Trust, and even his involvement in the Canadian Commercial Bank. Those activities which were permitted by Canadian laws, and will continue to be permitted even after we pass Bill C-91, have cost the Canadian people hundreds of millions of dollars if not, indeed, billions of dollars.

● (1250)

This is only the most blatant of conflict of interests which would include any commercial activity that would compromise the normal relationship between the lender and the borrower. Already we are seeing incentives being offered to staff members of Trilon subsidiaries so that they would recommend other Trilon companies to their customers. It could very well be that a non-Trilon company would be better for a customer, both for financial and non-financial services, but will Trilon company employees be professionally restrained from offering anything but disinterested advice? Of course not. That is the problem that was not addressed, and it is only one tiny example of the conflicts that will be facing these companies and their employees every day. This Bill does not deal with that problem.

The answer to this problem, real economic financial conflicts, can be resolved in one clear way: adopt the 10 per cent maximum share limit which now applies to chartered banks. I have been in politics a long time and I did not think that there would ever come a time when I would agree with Canadian bankers on an important issue. However, the 10 per cent maximum share limit is what we proposed in the Finance Committee. We could not get the other members of the committee to agree to it so we proposed it in a minority report. That position is endorsed by groups as disparate as the Consumers' Association of Canada and the Canadian Bankers' Association. However, the Government continues to dance around this obvious solution by pretending it has other solutions.

The Minister of State for Finance (Mrs. McDougall) continues to maintain that by having published a draft Bill on amendments to the Trust Companies Act she can restrain Imasco. She already knows that her review is flawed. It is not a public process. Public criteria for the decision and public participation in the review do not exist and are not required in this Bill or in the Bill of the Minister of State for Finance. As a matter of fact, that is one of the very important criticisms of this Bill which Professor Stanbury of the University of British Columbia has made.

The Minister of State for Finance could decide against a Imasco only to have a successor Minister, reverse the decision. Policy will therefore be made on the whim of a Minister or the personal views held by that Minister and there will be no public discussion and no public input into the decision. That is hardly the basis for a competition policy. It is hardly what we were promised by the Minister of Consumer and Corporate Affairs who said that he would bring forth a Bill only after there had been the widest consultations and input from the widest group of interested people possible. It is *ad hockery* at its worst.

We asked the Minister of Consumer and Corporate Affairs to reconsider the problems of conglomerate mergers and to put provisions for the review into the new competition Act. Certainly the Minister of Finance and the Minister of State for Finance must come to grips with their own problems of financial and non-financial corporations and conglomerate takeovers, but the problem goes far beyond the financial sector. We should take a look at what takeovers do and what they do not do.

We can talk about greater efficiencies and economies of scale, but those do not always apply to particular conglomerate takeovers. We know that corporation takeovers are a good deal for those making the takeovers and for those being bought out. A lot of paper is passed around and fortunes are made. In the last couple of weeks the Belzbergs moved to take over Ashland Oil in the United States and they were bought off by what is called green mail. They made millions of dollars because they were persuaded by the profit they received from the present owners and management of Ashland not to continue their takeover bid. They made millions, but what did that add to the economies of Canada and the United States? Did it add one single job? No, it made money for the Belzbergs. That is quite permissible under our laws. I am not critical of the Belzbergs or of any other groups that do this. What I am critical of is the fact that we have failed to pass laws which would make sense and bring benefits to the people of Canada rather than to the few who have been able to make hundreds of millions of dollars.

As legislators, we should ask ourselves several questions. Do these takeovers create employment? The answer in most cases is no. Do they stimulate investment in new technologies, in the industries of the future, in electronics, computers and ceramics? No. Do they bring new companies and skills to Canada? In most cases, the answers are quite negative.

Do the staff members of Canada Permanent who no longer have jobs think much of the Genstar takeover? Do the staff members of Dominion Stores think much of Conrad Black for raiding their pension fund—I would say even stealing from their pension fund—and turning their jobs into $7-per-hour non-unionized jobs at Mr. Grocer from $14-per-hour unionized jobs?

Is there much in the way of investment in start-up enterprises in Canada? No, we support this kind of business at the rate of 50 cents per capita in Canada while in the U.S. it is