

Committee Reports

that a decision be made shortly and that we not be in the awkward position of having some type of roll-back.

I have worked with the Hon. Member for Trinity (Miss Nicholson) on a couple of different committees and I have the greatest respect for her. I must take issue with only one word she uttered and that was the word "revolt". We are going through parliamentary reform and we on the committee knew we had an important issue. May I just ask the Hon. Member what is going on in her Party? I cannot quote the dates but I believe the Right Hon. Leader of the Opposition (Mr. Turner) was against this particular proposal fairly recently. I have now heard that the finance critic for the Official Opposition is now for the deal. I wonder if the Hon. Member could just elaborate on the official position of the Liberal Party on this particular issue.

Miss Nicholson: Mr. Speaker, I do not believe I used the word "revolt". I believe it was someone else. I did not use the word "revolt" because I do not see as a revolt at all the fact that members of the Government Party are pressing their Minister to take certain positions. I think that that is an exercise of the responsible role of a Member of Parliament. That is what we generally do in caucus, but under the new rules it is now being done more openly. I think the Hon. Member must have confused my speech with the speech of someone else.

Mr. Orlikow: Mr. Speaker, I would like to ask the Hon. Member for Trinity (Miss Nicholson) a question. If I heard her correctly, I think she expressed her opposition and, I presume, the opposition of the Liberal Party, to the takeovers or control of financial institutions by industrial corporations or non-financial institutions. I, of course, agree with that.

I would like the Hon. Member for Trinity to tell Hon. Members of the House when she and the Liberal Party came to that conclusion. I have a table here and I see that in 1981 Noranda Mines took over MacMillan Bloedel for \$626 million. In the same year, Brascade Resources took over Noranda Mines. That meant it controlled Noranda Mines for \$1.6 billion. So Brascade controlled Noranda Mines and MacMillan Bloedel—

The Acting Speaker (Mr. Charest): I remind the Hon. Member for Winnipeg North (Mr. Orlikow) that we have about 30 seconds left in the time for questions and comments. If he wants an answer from the Hon. Member for Trinity (Miss Nicholson), he will have to put a question.

Mr. Orlikow: Brascade also controls the Trilon financial corporation? which, in turn, controls trust companies, insurance companies, money market companies, leasing companies and real estate companies. When did the Liberal Party make this pretty important change in its approach to the business operations of large corporations in this country?

Miss Nicholson: Mr. Speaker, first, concern about concentration of power in nothing new to Liberals. In fact, when our

present Leader was the Minister of Consumer and Corporate Affairs, he introduced one of the first competition Bills. However, it is quite true, indeed, as pointed out by the Hon. Member and as I said in my speech, that we do have a very high level of concentration in Canada and that we have financial institutions owned by non-financial institutions. I think all of us here, regardless of Party, have become more concerned in the last couple of years as we have seen the problem escalate. In fact, one of the most impressive briefs the Committee on Finance had was from Cadillac-Fairview where, I believe, precisely that point was made. We have been increasingly faced with more concentration, with more takeovers by non-financial interests in financial institutions, and we have now reached the point where it must go no further.

Mr. Don Blenkarn (Mississauga South): Once upon a time in 1980 there was a company called Genstar which owned some real estate development holdings on the West Coast and some transportation issues. About that time there was also a company called the Canada Permanent Trust Company which had a subsidiary called the Canada Permanent Mortgage Corporation. That corporation was an old, established and well respected trust institution in Toronto. There was also a company called the Canada Trust Company, another well respected institution with its head office in London, Ontario and branches throughout Ontario.

In 1981, the company called Genstar gobbled up the Canada Permanent Mortgage Corporation and the Canada Permanent Trust Company. In 1985, the company called Genstar then gobbled up the Canada Trust Company. Now it is 1986, and the largest tobacco dealer in the country, the largest drugstore owner in the country, one of the largest fast food owners in North America, intend to gobble up the Canada Trust Company, the Genstar Company, the Canada Permanent Trust Company and the whole ball of wax. The question is, when are we going to stop the gobble, gobble, gobble?

I suggest, Sir, and the committee suggests as well, that it is time that ownership rules and requirements for financial companies be determined and established. The committee is suggesting to the Minister and to the House that now is the time to stop. Last fall the committee suggested the Minister should not permit the amalgamation of Canada Permanent Trust and Canada Trust. It was our view last fall that amalgamation should not have been permitted, but it was permitted. We think, Sir, that this further amalgamation, this further takeover, this further holding, should be stopped. We think now is the time to stop it. We as a committee do not approve the present holdings whereby a company which is in the non-financial business or partly in the non-financial business owns a financial institution, particularly a financial institution the size of the new Canada Trust, which is an amalgamation of Canada Permanent and Canada Trust, having intermediary action of at least \$21 billion, together