

Adjournment Debate

Nuclear Suppliers Group which approved in January, 1978, common guidelines concerning transfers of nuclear technology. These guidelines, however, are not as restrictive as the Canadian policy. Canada and other nuclear technology supplying countries with a similar philosophy on the subject, such as Australia and the United States, keep on trying for a greater international consensus in this regard at the meetings of the International Atomic Energy Agency in Vienna, and more specifically in the committee on security of supply recently established by the agency.

In closing, Mr. Speaker, I would say that the main objective of Canada is to promote the development of an effective international system of non-proliferation which would be closer to the Canadian standard. However, progress in this regard will be slow and difficult.

[English]

CORPORATE AFFAIRS—DELAY IN INTRODUCTION OF
LEGISLATION

Mr. Ray Skelly (Comox-Powell River): Mr. Speaker, it gives me great pleasure to participate in the only thing of substance today. The question I would like to elaborate on relates back to March 4 when I asked the Minister of Consumer and Corporate Affairs (Mr. Ouellet) about his intent in terms of introducing effective competition legislation in light of the oil company study by the director of investigation and research. I suggest that the minister's answers at that time were completely unacceptable. What has basically occurred here is that the minister is not treating some of the manoeuvring of the Canadian economy that has occurred over the past several years in a very serious manner. I think the main item facing us at that time was the investigation into the oil companies restrictive trade practices. I think what we have to look at are events which have taken place over the last few years. They are serious and have put a number of industries in the same kind of position to damage our economy and harm and exploit Canadian consumers. I would like to just point out this is a matter of increasing concentration in the Canadian economy, and there are several figures I would like to record.

● (2220)

In 1975 there were 264 mergers; in 1977 the department recorded 395 mergers. Then, by 1979 they had recorded 551 mergers, showing a definite trend of acceleration. The interesting thing is that by 1978 foreign takeovers had exceeded domestic takeovers. I would suggest that is a very dangerous situation. One of the few inquiries into that kind of activity was conducted by the Bryce commission, but I think its conclusions were not accepted by many people in Canada. People simply did not agree with them.

Within the different sectors of the Canadian economy were four firms accounting for 50 per cent or more of the total shipments involved in a given industry, and I would like to place some of these on the record. The four largest firms in the distillery industry accounted for 83 per cent of shipments;

tobacco, 100 per cent; iron and steel, 77 per cent; motor vehicles, 90 per cent; electric wire and cable, 80 per cent; and our old friend sugar refining, 92 per cent. The message there is that what the oil companies did to us, as reported by the director of investigation and research, other companies are in a position to do.

Another matter which really shocks me, is the way in which merger data is gathered by the Department of Consumer and Corporate Affairs. They readily admit to running an extensive clipping file, but that is the only mechanism, and it just detects the tip of the iceberg. They do not record assets. In fact, the monitoring system in place has no effective way of assessing the impact on or damage to the Canadian economy that these continuing mergers have.

The suggestion is that the government, which apparently has the regulatory authority, demand that companies wishing to take over a Canadian company be required to give information in advance to the department so we can monitor effectively the effects on the Canadian economy. However, the main flaw is the legislation, and we have been fooling around with this since 1923—the last big thrust in the combines investigation field—and since that time there has been one successful conviction. There has been a tremendous demand over the last few years that this legislation be modified so the Canadian people will have some effective protection, by establishing a civil review procedure for potential mergers and public disclosure. I think the government has been extremely remiss over the last decade or more in not bringing this forward. It now has the opportunity in this session. I realize that we are hamstrung with the proposal before us, but that legislation should be brought into this House for discussion.

There are some very nasty aspects to this situation. I would just quote the government of Saskatchewan on the previous Bill C-13:

Saskatchewan, for one, is not prepared to agree to the intrusion into areas of provincial jurisdiction that is entailed in the proposed legislation.

I think there are constitutional concerns about this, and concerns on the part of business and the public in general. It is important that the minister lay that legislation before the House as soon as possible so that discussion can begin. This is too important; we cannot leave it any longer. I hope to hear some good news from the parliamentary secretary this evening.

Mr. Gary F. McCauley (Parliamentary Secretary to Minister of Consumer and Corporate Affairs and Postmaster General): Mr. Speaker, I want to congratulate the hon. member for Comox-Powell River (Mr. Skelly) on his concern for Canadian consumers. I would like him to know the minister shares those concerns. For some time now we have been concerned about the issues he has raised. I would remind him of the history of our efforts.

It was the Liberal government in 1966 which asked the Economic Council of Canada to examine the entire question of competition policy in Canada and to make recommendations to the government. Subsequent to this report, in 1971 the then minister, the Hon. Ron Basford, tabled Bill C-256 in the