

Competition Tribunal Act

We can examine a lot of examples of over-concentration. I do not want to over-indulge myself at the expense of the House, but let us take the food and retail business. Every amalgamation, every merger makes entry of new business much more difficult. The giants control the price, the labels, the quality, the distribution network and the supply. Small business cannot compete with these giants in this particular theatre. More and more of the corner drugstores, the smaller enterprises and family stores are being closed across the country. Is that an advantage, Mr. Speaker? There are two sides to the question, but I think the loss in personal service and the loss in family proprietorship is not a net gain for the country. We will have more and more giants, fewer and fewer independent businesses able to compete, fewer jobs and more commercial bankruptcies.

I think, of course, the most important impact is on the consumer. If we take the recent situation in oil prices and compare the American experience with the Canadian experience, it illustrates quite clearly what I am trying to say to the House. Because of the diffuse nature of the United States oil industry, because of the intense competition, because of the multiplicity of refining capacity, when world oil prices went down world-wide, the American consumer got a far more immediate benefit than the Canadian consumer because competition was allowed to play. Here in this country we have only four major refineries. We have Esso, or Imperial Oil, we have Gulf, Texaco and Petro-Canada. Because of that concentration, I believe the Canadian consumer did not get the same benefit in lower prices as did the American consumer.

Concentration of power gives corporations more control over the pricing mechanism. I do not subscribe at all to the thesis of John Kenneth Galbraith that prices are uniquely in the hands of corporations. However, there is no doubt that the fewer the competitors, the less mobile and less flexible the pricing structure.

● (1530)

I believe, as does my caucus, and I believe the vast membership of the Liberal Party, that the pendulum has swung too far. We believe that there is now a concentration of economic power for the sake of concentration, maybe even for the sake of massaging a few egos, and maybe even for the sake of enjoying paper transactions at the expense of building business and the country. That concentration is benefiting fewer and fewer people at the expense of more and more Canadians.

I sense that this is a growing concern to the average Canadian. I think that our citizenry is beginning to realize that all of these mergers, takeover bids, stock purchases, and buy-outs are not just isolated games being played in corporate board rooms. What is happening will have a real impact on all of our lives. It will impact on the prices that we pay for food, clothes, shelter, books, movies, automobiles, telephones, and transportation, and on the quality and availability of these products.

We believe that any competition policy should have, as its primary focus, the need to protect Canadians from the real damage of over-concentration. We are not against business getting bigger. If a business gets larger because of efficiency, marketing skills, good management and product, that is fine. That builds products, jobs, and Canada's competitive ability. We do not believe that the same result is achieved by the shortcut of mergers and takeovers. We can analyze the net result of every transaction, and in most of these instances we have yet to see the new jobs, new efficiency, so-called synergy, and so-called competitive advantage.

Some Hon. Members: Hear, hear!

Mr. Turner (Vancouver Quadra): If business in Canada becomes bigger through efficiency, marketing, and a better product in competition with others, that is fair ball, but it should not be done by simply buying out the competition or squeezing it out with unfair practices. The Canadian consumer must be uppermost in the mind of the House.

We believe that this Bill, in its present form, has weighted the argument in favour of the corporate sector to the detriment of the consumer. However, we believe that it is a step forward. With proper amendments, which we intend to submit during the legislative process, we believe that the legislation can be salvaged and, if properly directed, can strike a real blow for Canadians against the overwhelming corporate financial power which is now emerging in Canada.

Some Hon. Members: Hear, hear!

Mr. Orlikow: Mr. Speaker, I would like to ask the Leader of the Official Opposition several questions.

Mr. Speaker: Order, please. I recognized the Hon. Member for debate.

Mr. Gauthier: You had better read your rules.

Mr. Speaker: It is entirely up to the Right Hon. Leader of the Opposition, but our practice has been that those speakers who have unlimited time have not been subject, under the rules, to the ten-minute question and comment period.

Mr. Turner (Vancouver Quadra): I have known the Hon. Member for a long time. I will hear what he has to say.

Mr. Orlikow: Mr. Speaker, I will ask two questions and will try to keep them brief. I have a list of 22 major takeovers which took place since 1979. Eighteen of them took place while the Liberals formed the Government. Why did they not act then?

Is it not true that the conglomerate takeovers which have occurred, which involve hundreds of millions and billions of dollars, may be very profitable to the shareholders and the executives of the company, but that most of them really do not add a single job or a single new technique to the country? Of what benefit are they to the country?