There are situations of corporate concentration in Canada today which are almost like the Gordian knot. It would take a sword thrust at the organizational chart to unravel the reality of intercorporate control. After all, there is no limit under Canadian law. Indeed, it is difficult to see how there could be a limit. However, because there is no limit on the chain of corporate ownership present in the current or proposed legislation—that is, a holding company owing a share in a second company or a second company owing a share in a third company and so on and so forth—we have a situation whereby any mathematical formulae, any calculus, or any written restriction can be and will be circumvented. After all, we have a myriad of examples of the ingenuity of the corporate sector and its legal advisors in circumventing any such control any time it has been proposed in any jurisdiction in Canada or in any other country.

If we do not have some discretionary power, I fear we could see Canada's economy ending up in the sort of situation which is prevalent and indeed very common in Latin American and Central American countries. I am referring to the situation where the control of the economy is divided almost half and half between a small number of foreign companies, almost always American-based multinationals, and a very small number of local families, local trusts, or local combines which control the other 30 per cent or 50 per cent of the so-called domestically controlled economy. By rejecting this amendment we would be essentially subscribing Canada's vote to the sort of system in which corporate power goes largely unfettered. Therefore, it is my belief that there must be some discretionary power.

We require a director of combines control and investigation who could go beyond the mere analysis of mathematical formulae, the analysis of percentages of shareholdings, and the analysis of calculus, whether it be that proposed by the security commission, 10 per cent, 50 per cent, 51 per cent, or the formulae of what constitutes effective control, and could look at reality, the influence of individuals, families, and trusts on the activities, decisions, and investment placements of corporations within the great Canadian market-place. If there are no discretionary powers, the formulized regulations contained in the Bill will soon be circumvented by the ingenuity of the corporations.

I think that was well said in the article from which my hon. colleague quoted, indicating that it was not an attack upon people who build financial and corporate empires. There are people who have the instinct or the urge to control or to bring more and more under their ownership umbrella. On a higher plane, there are those people with the urge to make something more profitable from something which is less profitable, and those with the urge to indulge in the forms of corporate synergy where one can assemble a conglomerate such that the members of the companies of the comglomerate rarely have to deal outside each other. However, let us not deceive ourselves into believing that those personal or corporate interests will coincide with the public interest.

This amendment addresses the public interest. It is designed to ensure that the people of Canada, through their Government, will have some say in the way in which corporate power is concentrated and exercised in Canada. That is why I urge this honourable House to support the amendment.

[*Translation*]

Hon. André Ouellet (Papineau): Mr. Speaker, I would like to take part in the debate to commend my colleague for Winnipeg North (Mr. Orlikow) for moving this amendment. If accepted by the Government, it would improve Bill C-91 significantly in my view. A number of witnesses who appeared before the Committee said, with regret that Bill C-91 did not address in any way the issue of concentration in Canada and the increasingly important conglomerate situation in this country. I would like to quote the distinguished lawyer Gordon E. Kaiser, who had this to say before the Standing Committee, and I quote:

[*English*]

Finally, the Bill, as it stands, does not deal with the large conglomerate mergers involving financial and non-financial institutions which are currently taking place.

He continued by referring to the Leader of the Official Opposition (Mr. Turner) and saying:

I notice that Mr. Turner has been speaking to this subject on a number of occasions with success. This proposed legislation provides an opportunity to deal with the matter rather than postponing it for another 16 years.

[*Translation*]

I think Mr. Kaiser is absolutely right. It is important that we take this opportunity to address the issue of concentration and conglomerates, rather than waiting I do not know how many years for another legislation, before we discuss the matter.

Someone else, a businessman this time, had this to say in a *Toronto Star* report. Mr. Bernard Ghert, from Cadillac Fairview, discussed at length some of the dangers we will be faced with if we do not solve the problems of conglomerate mergers, especially those involving financial and non-financial corporations. So here is a businessman, not an academic nor an Opposition MP, but someone directly involved in business, the president of a large corporation, who brings to our attention the increasingly serious problem of conglomerates and concentration in Canada.

Also, Professor Stanbury from the Institute of Political Research, who testified before the Standing Committee on April 29, 1986, suggested, and I quote:

I now wish to turn to the matter of conglomerates. Proposed sections 63 an 64 can only deal with horizontal and vertical mergers because the test incorporated is a substantial lessening of competition. Strictly speaking, conglomerate mergers cannot be touched by Bill C-91, although mergers involving conglomerates—each has a firm in the same industry or they