

*Oral Questions*

## INTRODUCTION OF LEGISLATION

**Hon. Edward Broadbent (Oshawa):** Mr. Speaker, as the Minister in Cabinet responsible for this important area of policy, is she in agreement with the unanimous recommendation of the committee that financial institutions ought not to be owned by non-financial institutions for the obvious reason that a situation could arise where companies will be gambling with pensioners' funds in the future? Does she agree with that principle and, if so, why did she not bring in legislation that was consistent with it?

**Hon. Barbara McDougall (Minister of State (Finance)):** Mr. Speaker, there is more than one way to deal with this issue. We are looking at the recommendations of the parliamentary committee along with some other ways of dealing with matters concerning the ownership of financial institutions and the powers and obligations under the law. There is more than one way to deal with this, and we are looking at all of them.

**Mr. Broadbent:** The members of the committee from the Minister's Party, as well as members from other Parties in the House, looked at it carefully and reached a decision that makes sense.

## ANNOUNCEMENT OF GOVERNMENT DECISION

**Hon. Edward Broadbent (Oshawa):** Mr. Speaker, since the Minister is going to review this take-over bid that is not yet complete, will she at least tell the House when she will be ready with the Government's decision?

**Hon. Barbara McDougall (Minister of State (Finance)):** Mr. Speaker, I will inform the House when I am ready with the decision.

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## CORPORATE AFFAIRS

## GULF BID TO TAKE OVER HIRAM WALKER

**Hon. Herb Gray (Windsor West):** Mr. Speaker, my question is directed to the Minister of Consumer and Corporate Affairs. The Minister of State for Finance has just confirmed that the Imasco-Genstar deal will be reviewed under the new financial institutions legislation which just received first reading today. Will he apply the same approach to the Gulf takeover of Hiram Walker by applying the criteria of the competition legislation now before the House to ensure the public interest is protected, including the 1,000 jobs at the Hiram Walker Distillery in Windsor?

[*Translation*]

**Hon. Michel Côté (Minister of Consumer and Corporate Affairs and Canada Post):** Mr. Speaker, I should like to reassure my colleague by saying quite simply that all deals in this country are examined by the director under the Combines

Investigation Act and that, in this regard, he examines each transaction on its own merits and takes appropriate action.

[*English*]

## APPLICATION OF COMBINES LEGISLATION

**Hon. Herb Gray (Windsor West):** Mr. Speaker, why is the Government applying two standards? With respect to the Imasco-Genstar transaction the Government is retroactively applying legislation that it just tabled today. Why is the Government not willing to do the same thing with the combines legislation before the House when it comes to the takeover of Hiram Walker by Gulf? The public interest is involved there just as much. Why the two standards?

[*Translation*]

Why this double standard?

**Hon. Michel Côté (Minister of Consumer and Corporate Affairs and Canada Post):** Mr. Speaker, the Government happens to believe that the private sector is the real driving force behind the most equitable distribution of resources so as to promote economic growth and create jobs. The competition legislation now before Parliament will meet such requirements and create a market place in which our economic needs can be met.

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[*English*]

## FINANCE

## POSSIBLE TAX WRITE-OFFS IN IMASCO-GENSTAR TAKEOVER

**Mr. Nelson A. Riis (Kamloops—Shuswap):** Mr. Speaker, my question is directed to the Minister of Finance. Will he confirm that as a result of our existing tax laws the Imasco takeover will cost Canadian taxpayers something in the neighbourhood of \$200 million a year in tax write-offs of which the company will be able to take advantage as a result of the cost of this takeover?

**Hon. Michael Wilson (Minister of Finance):** Mr. Speaker, I think the Hon. Member is jumping to some conclusions. If he has specific information that he would like to discuss with me, I would be happy to sit down with him.

**Mr. Broadbent:** He just asked you.

**Mr. Blaikie:** You haven't looked at it yourself?

## COST TO TAXPAYERS

**Mr. Nelson A. Riis (Kamloops—Shuswap):** Mr. Speaker, will the Minister simply confirm that if Imasco borrows money for this take over bid, the cost of the take over will be deducted as part of its taxes, and consequently the taxpayers of Canada will be picking up the tab for this merger?