

Canadians as a whole to continue to participate in an expanding and successful economy is of fundamental importance to Canadian society.

With current activity suggesting that further large-scale concentrations of corporate power in Canada may be taking place, particularly in relation to conglomerate enterprises, the government has decided that it is necessary to inquire into whether and to what extent such concentrations of corporate power confer sufficient social and economic benefit to Canadian society as to be in the public interest. The government considers these questions to be serious and to require prompt examination, including whether existing legislation and planned amendments to the Combines Investigation Act are sufficiently comprehensive as to ensure protection of the public interest.

The government is, therefore, today appointing a royal commission under part I of the Inquiries Act to investigate the economic and social implications of major concentrations of corporate power in Canada and to make recommendations as to safeguards which may be required to protect the public interest in the presence of such concentrations.

An hon. Member: Another one?

Mr. Trudeau: It is the first since we have been in office. I do not know what "another one" means here. The commission is being instructed to report with all reasonable dispatch.

[Translation]

Mr. Speaker, a former secretary of the cabinet, former deputy minister of finance and, more recently, director of the International Monetary Fund, Mr. Robert Bryce, will be appointed chairman of the commission. In the very near future, two other commissioners will be appointed to assist him.

[English]

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, as usual I speak for a constructive opposition, and I think an inquiry of this sort will serve a useful purpose. I cannot help but wonder, however, whether an inquiry with regard to the concentration of corporate power within Canada alone will necessarily be completely enlightening: it is quite possible to have concentrations of power internationally which, though not looming very large within Canada, could have a substantial effect, even a highly detrimental effect, upon life in this country. I would therefore think it highly important for the Government of Canada to take some initiative with regard to the examination of the concentration of corporate and perhaps other forms of power on a worldwide scale with a view to examining the effects upon the world at large and upon Canada in particular.

I shall have two or three questions to put to the Prime Minister (Mr. Trudeau) on the implications of his statement. For example, does it mean that the government intends to hold up the legislation now before us to amend the Combines Investigation Act until this inquiry has been completed? Does the government intend to hold up, for example, the proposed take-over of Argus Corporation by Power Corporation until this inquiry is complete? Has the government given any consideration to the investiga-

Concentrations of Power

tion of other possible concentrations of power within our country?

I do not want to raise any howls from the unions or anything of that sort, but I think it might be prudent for the commissioners appointed under the Inquiries Act to be given authority to look also at other possible concentrations of power which may have an unfortunate effect upon the social and economic life of this country, contributing, for example, to the inflationary push. I will seek the privilege of questioning the Prime Minister on these points at an appropriate time.

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, it is now ten years since John Porter's monumental study of power in Canada, entitled "The Vertical Mosaic," was published. During those ten years, Liberal governments, which normally specialize in royal commissions, have not even followed their usual course of setting up an inquiry into the subject. It has taken them ten years to set up a royal commission to look into the concentration of corporate power. Moreover, in the period I have mentioned the lamentable state of Canadian society from the point of view of those concerned with justice and opportunity, so well described by Professor Porter, has become worse, as was so ably documented by the Minister of National Health and Welfare (Mr. Lalonde) in the speech he gave last fall in Toronto.

Looking at the statement the Prime Minister (Mr. Trudeau) has made, I see at the outset an encouraging sign. The terms of reference give the commission power to investigate the economic and social implications to the public interest of major concentrations of power in Canada. That is encouraging. But if we look at the authority to make recommendations, we find that the commission has the authority only to recommend safeguards to protect the public interest in the presence of such concentrations. The conclusion I reach is that the commission will be entitled only to set out procedures designed to mitigate existing situations. However, it is not going to be authorized to come up with a set of proposals that would recommend any principle of fundamental change in the system itself if it found such concentrations of power were not desirable in the public interest of Canada.

● (1510)

The situation concerning the concentration of power in the western world has already been ably documented by many scholars in many lands. In our own country we have had, I think, one of the most distinguished contributions to this literature just recently published. I refer to the work of professor Wallace Clement of Carleton University, which is not far from the Hill. The title of his book is "The Canadian Corporate Elite". In fact, he is the son-in-law of a Liberal member and I congratulate the member on his family connections.

In my view, we do not need a royal commission to look into the problems posed by the concentration of power. The kind of findings that have been made in general in recent years in other countries have been brought together in a thorough, coherent and cogently argued way by Professor Wallace Clement in his recently published book. What are some of his findings, which I hope will be considered by the commission? First of all, that during