the Bill and to recent events in the country which are escalating the takeover fever.

In general terms we support the thrust of Bill C-91. We are glad that the Government has finally brought in legislation. A lot of work has already been done. The Hon. Member for Papineau (Mr. Ouellet) initiated the process of consultation which brought together whatever consensus there may be between business and Government as to the provisions of the Bill. He also initiated thorough consultations with consumer groups across the country.

The former Bill was Bill C-29, presented by Judy Erola when she was the Minister and the Member of Parliament for Nickle Belt. The Bill died on the Order Paper. The subject has been kicking around for years. I am told that the provisions of this Bill have mustered and mobilized business support, particularly from the Business Council on National Issues. However, I believe, and I am advised, that insufficient consumer consultation may have preceded its introduction.

The Hon. Member for Papineau, the Hon. Member for Trinity (Miss Nicholson) and other Members have explored what we believe are some of the deficiencies in the Bill, and we will be presenting the appropriate amendments at the appropriate time. However, I should like to draw to the attention of the House, and indeed the country, our submission that the merger provision is not strong enough. The competition tribunal set forth in the Bill—while it sets up a so-called independent tribunal—may be an advance, but we do not believe that the tribunal will be properly served by part-time members. We believe that the expertise and the burden on the tribunal will demand full-time attention, both in terms of developing the expertise and retaining it and in terms of dealing with the cases which will come before it. There are no criteria for membership set forth in the Bill. There is no review by the House of Commons of the appointments. I suspect that this will be yet another field for random, wide open and rampant patronage.

Bill C-91 is a watering down of Bill C-29. Under the former Bill, the merger criteria involved what in effect was a 12-point test. Now there are only six criteria involved in the merger provision. For instance, the present Government has eliminated the past anti-competition activity factor. It has eliminated the innovation in market factor. The economic efficiency defence is now based solely on the achievement of the economic efficiency of the company in question, not on the benefit of savings to the consumer as was formerly the case. When one analyses the present Bill, one realizes that the Government relies primarily on, using the words of the Bill, "the extent to which effective competition remains". I refer to Section 65(1)(E). After the merger there is absolutely no definition of what the word "effective" means. It could be anything; we do not know. Presumably it is being left to interpretation by the competition tribunal as that tribunal eventually defines it.

Let us look at the provision relating to an abuse of dominant position where a giant corporation squeezes its competitors with non-compatible products, for instance. Under the Bill, the Crown must prove intent to abuse. That is almost impossible to prove, as the courts have illustrated in cases up to this point. I suppose the timing of the introduction of the Bill, long as it has taken to introduce it in the House, is coincidental. We have the Gulf-Hiram Walker takeover which is currently before the courts and before the scrutiny of shareholders. We have the Imasco-Genstar takeover, and we have witnessed an escalating takeover fever in the last number of months resulting in, we believe, an over-concentration of corporate power in Canada.

[*Translation*]

In its discussions across the country, the Government claims that we Canadians need big multinationals in Canada to compete with the big foreign multinationals. There may be some validity to this argument. We must have companies that are powerful enough and vigorous enough to respond to initiatives here on the Canadian market and on international markets, but in my view, recent takeovers do not support this argument. And if we analyse competition in Japan, in newly industrialized countries and even in Europe and the United States, we see a pretty clear movement towards the decentralizing of specific units where product quality can be ensured. Quality becomes the main factor in world markets, along with price, precision and especially customer service. And all these factors are just as important as the products themselves.

Takeovers by increasingly larger corporations are at odds with the principle of better quality through more defined units. And a number of questions arise in connection with recent takeovers: Where are the new jobs? Has the efficiency of both companies improved after the merger? Has competition really improved in Canada? Will Canadian technology be better off?

[*English*]

We have, incidentally, in a companion piece of legislation before the House a Bill which purports to relate to our financial institutions. I refer to a situation which is now before the Government. I speak of the attempted takeover by Imasco of Genstar. That takeover is being attempted in the face of a unanimous finance committee report of the House of Commons several months ago which protested and gave as a recommendation to the Government that a takeover by a non-financial institution of a financial institution be prohibited. That provision was reinforced last Monday night by the finance committee, again unanimously. It adopted a resolution adverse to the potential takeover of Genstar by Imasco. Why is this, Sir? I believe most Members of the House are concerned that a takeover by a non-financial institution of a financial institution is not in the best interests of the country. A financial institution so controlled can block or divert loans from competitors or to competitive allies. It can control cash flow. There is the temptation for self dealing that was only too apparent during the crisis three years ago in Ontario involving Greymac and other trust companies. Fundamental to our objections is the fact that the interests of the depositors are not necessarily going to be paramount where there is a conflict of interest in holding and where the shareholders in their co-