

### *Competition Tribunal Act*

Our judgments should concern: the likely future degree of competition in an industry; the possibility of national dominance by a few multi-billion-dollar pools of capital that inhibit productive variety in decision-making and investing, and intimidate those who deal with them by their very size.

It's vital that strands of ownership linking different industries in the same groups must not now or in the future interfere with normal competitive ways of buying and selling.

When 50 companies from 10 different industries are in the same bunch, will they be inclined to buy and sell their goods and services with blood-relatives? That would discriminate against independents. Plenty of that goes on already.

It has been said that nine or ten corporations control almost 50 per cent of the stock traded on the Toronto Stock Exchange. He states, and I will conclude on this note:

This is not an attack on the empire-builders. They are doing what's allowed and presumably saying what they hope will be their future action.

It simply recognizes that certain promises are not binding or enforceable on management or owners. Owners change too and suppose a "bad guy" takes over?

This is why I have moved the amendment on behalf of the New Democratic Party. We say that the country needs laws which will give the agency the power it needs to monitor business operations and to see that we have real competition which will benefit the consumer. We say that without this amendment the director and the agency will not have the power or the ability to do the job which they are supposed to do as a result of this Bill.

**Mr. Ian Waddell (Vancouver—Kingsway):** Mr. Speaker, I would like to speak to this matter just to take up some of the points made by the Hon. Member for Winnipeg North (Mr. Orlikow). At the outset I want to say that my colleague, who is a senior Member of the House, has put an incredible effort over the years, and especially in the last little while, into competition Bills and the competition area. He has proposed an amendment which I think is sensible. It is pragmatic. It grows out of the evidence that was presented to the legislative committee, as I understand it, which is the way amendments should come to the House. I hope the Government will accept it.

He said in his speech that the agency which monitors competition needs some strength. When I was listening to the Hon. Member I thought of an area in which I am interested, that is, the energy area. The petroleum monitoring agency in the energy field could use some strength in order to ensure some real competition in the oil industry, or at least to force some of the oil giants to pass on the savings in gasoline prices that should go to consumers but that are not going to consumers right now.

I see that the Minister of Energy, Mines and Resources (Miss Carney) is in the House. I call her energy policy "back to the future". That is what the energy policy of this Government is. It is going back to an old system in the hopes of tackling the future which is quite different.

I will give Hon. Members an example with respect to problems concerning the lack of competition in the energy industry which are addressed through this amendment, and similar parallels in general business. The Hon. Member for Winnipeg North mentioned the increased concentration of business, and in that vein he mentioned the Reichmanns who

bought Gulf. It is curious to consider what happened in the last year or so. Mickey Cohen, a former Deputy Minister of Energy, made the energy policy for the last Liberal Government. After that he moved on to a more senior position as Deputy Minister of Finance. In that capacity he helped to make the business, tax and economic policies of the Government. He then went on to a better job, a better paying and bigger job, when he went to work for the Reichmanns in the private sector. The Reichmanns bought Gulf with some nice tax advantages. It was called the "Little Egypt Bump" which allowed them to make a deal with Norcen Energy in order to receive some tax advantages.

The key to corporate takeovers today is the taxation system. One has to look at taxes and what are the tax advantages. My colleague in his speech a few moments ago quoted the words of Jack McArthur who said that the ambitious are shopping feverishly for takeovers. Nowhere else is that happening more than in the oil industry in western Canada which is in desperate straits because of the low world price of oil. A great many Canadian companies are tottering on the brink of takeover. They are ripe for the picking. This tremendous danger exists. Of course, the Minister of Energy, Mines and Resources has refused to consider any bridging mechanism for the short term for these Alberta companies and has literally left them on their own. Some of them are not going to be able to survive; some of them will be taken over and there will be increased competition in the industry.

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The reason there are high gasoline prices in Canada right now is of the lack of competition. There are 600 sellers in Alberta selling crude oil to four big buyers. There is an incredible corporate concentration in this sector. Yesterday I spoke to representatives of the Independent Petroleum Association of Canada who told me that the Canadian producer is getting the lowest price, in the world. The Canadian producer is getting the spot oil price which in some cases is below world price, while the Canadian consumer at the other end is paying beyond world price. Why is this? I see the Minister of Energy, Mines and Resources is present in the House. I would ask her why this is. No, I will tell her why. It is because there is no proper competition in the oil industry.

I would like to describe the energy policy of the Government very briefly. It is to deregulate and go back to the marketplace. In that way, the Government expects that there will be a lot of investment by the companies and that 300,000 jobs will be created. The motorists, the producers and everyone else would all get a break and everything would be rosy. Instead, we got the worst, not the best, of all possible worlds. One of the reasons for this is the world oil price. Let us be fair, however; there is another reason.

Why are Canadian gasoline prices higher than American prices? One reason is that we have higher taxes, but if we calculate the taxes in we will see that Canadian motorists are