

be able to assess before the fact whether undue pressure was being applied on the market-place as a result of that amalgamation.

**Mr. Nunziata:** Mr. Speaker, with respect, the Parliamentary Secretary did not answer the question put by his colleague, the Member for York East (Mr. Redway). The question was very simple. Will this Bill have retroactive effect? Will it address itself to the Gulf takeover of Hiram Walker? It was not a general question with respect to Bill C-91, but whether or not this Bill, once passed, will be applied to the takeover of Hiram Walker by Gulf.

**Mr. Domm:** Mr. Speaker, my gut feeling—which is what it is at this point—is that if we get on with the job quickly enough we will be able to deal with more than one or two mergers being contemplated today.

I believe this Bill was introduced in December, 1985. If we can move fast enough we can address some of these problems.

**Mr. Nunziata:** Answer the question.

**Mr. Domm:** I cannot answer the question directly because it is all hypothetical. We could still be doing this 16 years from now if we adopt the attitude of the New Democratic Party. If we are addressing the subject 16 years from now, nothing will happen.

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## PROCEEDINGS ON ADJOURNMENT MOTION

[English]

### SUBJECT MATTER OF QUESTIONS TO BE DEBATED

**Mr. Deputy Speaker:** It is my duty, pursuant to Standing Order 46, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the Hon. Member for Burnaby (Mr. Robinson)—Canadian Armed Forces—Policy governing homosexuals and lesbians. (b) Government position; the Hon. Member for Don Valley East (Mr. Attewell)—Corporate Affairs—Legislation affecting takeovers; the Hon. Member for Trinity (Miss Nicholson)—The Budget—Effect on middle-income taxpayers. (b) Economic forecasts.

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## GOVERNMENT ORDERS

[English]

### COMPETITION TRIBUNAL ACT

#### MEASURE TO ENACT

The House resumed consideration of the motion of Mr. Côté that Bill C-91, an Act to establish the Competition Tribunal and to amend the Combines Investigation Act and the Bank Act and other Acts in consequence thereof, be read the second time and referred to a legislative committee.

### *Competition Tribunal Act*

**Hon. Lloyd Axworthy (Winnipeg—Fort Garry):** Mr. Speaker, I believe we all recognize that the debate today is very timely, dealing as it does with a very important piece of legislation at a time when Canadians are very much seized by the fundamental changes taking place in the economic structure of this country. The recent wave of acquisitions, takeovers and mergers highlight what is becoming a very serious matter of concern to Members on all sides of the House and Canadians throughout the country, that is, the concentration of economic power in fewer and fewer hands having a deleterious effect, I would say, on the political economy of Canada, the question of who decides, who has influence and who makes decisions. The trend over the past 10, 15 or 20 years has been substantially accelerated over the last year or two years. The amassing of large amounts of capital has been part of that strange disease which has infected all parts of the free market system in the western world. Certain people in the United States, Great Britain and Europe believe that bigger is better, and we see the advent particularly of the horizontal acquisitions of the large conglomerates for which there is no economic rationale other than the acquisition of assets. That has become unquestionably a matter of very serious public policy and concern. This is not a matter of some kind of game which is being played in the boardrooms of downtown Toronto, Montreal, New York or Houston. It is a matter which really reaches into every town, village and hamlet because the results of those kinds of actions have very serious repercussions on the availability of capital for other kinds of businesses. It has a very major impact upon the workings of the stock market as an allocator of resources for the development of new businesses or the restructuring of old businesses. When we have a situation where close to 60 per cent of the assets of the large 300 corporations in the Toronto stock exchange index are controlled by six or seven major economic groups, one really has to ask oneself whether that will either result in a proper allocation of resources according to the most efficient use or whether it will be based upon who has the smartest set of lawyers, accountants and corporation manipulators. It has become part of the game, and the purpose of the game can be glossed over or hyped up in the most elegant of terms but I do not believe it can be justified in terms of the strict economic interests of this country.

● (1540)

This piece of legislation is really one of the few tools the Government has to meet that problem. But legislation by itself is not enough. We can have the most efficient and effective law on the statute books but if there is no policy to accompany it, if there is no set of clear guidelines, a declaration of commitment or a clear sense of purpose by a Government, then those laws will be abdicated. They will lie fallow. They will simply be there on the books. Any tribunal, regulatory agency or group of public servants follow the signals of the Government which sets the tone. We can look at the anti-trust actions in the United States. Whether it is a Democratic or Republican administration will determine how effectively anti-trust actions