

*Competition Tribunal Act*

**Mr. Speaker:** Shall the remaining questions stand?

**Some Hon. Members:** Agreed.

[English]

### COMPETITION TRIBUNAL ACT

#### MEASURE TO ENACT

The House resumed from Monday, April 7, consideration of the motion of Mr. Coté (Langelier) 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.

**Mr. John Parry (Kenora-Rainy River):** Mr. Speaker, in rising to address Bill C-91 this morning, I will make the same observation as was made by other Hon. Members of this House, an observation which I think is extremely relevant to discussion of the Bill, about the present planned takeover of the Genstar Corporation by Imasco. This is a paradigm of the type of corporate manoeuvre or strategy which should be regulated by the Competition Act. It is a very good example of the problems which can arise in an economy such as we have in Canada when policies of corporate concentration are allowed to be pursued. I am glad to say that although the basis may be somewhat tentative, we do at least have some countenanced legislation which will give the Government some powers in this type of merger.

What I would like to do initially is outline the problems which can arise in an economy like ours if this kind of merger were to go through, particularly, of course, if it were to be repeated. I would like to draw parallels between that merger manoeuvre and the sort of clauses which should be in Bill C-91, and are not, and the clauses which are in Bill C-91.

What we have, and what we have seen over the last few years in Canada, is a continuing trend of corporate concentration which has tended to put power in the hands of a decreasing circle of people, an increasing number of whom live and have their major business interests outside of this country. What that means is that Canadian trade and commerce is gradually falling under the domination of groups that have a trans-national base, a multinational corporate ethic and ethos, and which have practices that may very well be at variance with those we would desire to see as Canadians and which, frankly, are verging on the sort of concentration that is repugnant to Canadian ideals and to previous Canadian commercial and corporate practice.

• (1110)

It has been observed that Genstar swallowed Canada Trust and Canada Permanent and is now being swallowed by Imasco. It puts one in mind of the saw that big fleas have little fleas upon their backs to bite them and that little fleas have

lesser fleas, and so on *ad infinitum*. What we see is in the reverse. It is a system whereby each corporate takeover will be no more than a preparatory manoeuvre for the next round of corporate takeovers in which the larger corporations will take over the smaller ones. We will see an increasing concentration of corporate power outside the boundaries of the country. As we have found out with the American legislation concerning domestic international sales corporations and the export of goods in certain categories to countries considered to be hostile and embargoed, we will see increasingly that these activities will be taken beyond the framework of Canadian legislation and beyond Canada's ability to regulate.

The problem is this. Clause 64 of Bill C-91 does not deal with conglomerate mergers. It only deals with the concentration of holdings within a specific industry, be it on the horizontal level with one phase of a specific industry controlled by a single interest, or very few interests, or be it on the vertical level where an entire industry, the entire phases of supply of a goods or service, are controlled by a single corporation.

What we in the New Democratic Party would like to see is the withdrawal of Bill C-91. We would like to see it reintroduced with provisions which will govern conglomerate mergers and with significant strengthening measures. We believe that it is hard to see where Bill C-91 offers any improvement over the four other competition Bills that have been introduced in the House since 1971.

Of course, that raises the question as to why these Bills have come in and why so little progress has been made in the regulation of competition in Canada. I think it is plain to see that there are conflicting ideologies within the Liberal and Progressive Conservative Parties. There are those ideologies which are *laissez-faire*. They believe in the complete and unfettered freedom of the market-place to determine the forms of corporate organization and the forms of company structure. There are ideologies which are closer to those of the New Democratic Party. They recognize that there are authentic and genuine Canadian interests which must be protected, not by arbitrary interference in any sector of the economy but by a firm set of rules which are laid down and which will regulate all sectors of the economy, including the operation of Crown corporations at both the federal and provincial level. As the newspapers have been reporting, I am glad to see that there are Members on the Government side who are opposing this deal. They want to make sure that we have some say as a Parliament and as a Government over the type of corporate structures which will exercise enormous economic power and, frankly, political power.

What we are seeing with the increasing concentration is a tendency toward the Japanese system known as the *Zaibatsu* system, a system which works quite well in that country. It is a system that is antithetical to many of the values which Canadians hold true. It serves different values, some of them