

*Inquiries of the Ministry*

• (2:10 p.m.)

**ORAL QUESTION PERIOD****NATIONAL DEFENCE****NATO—POSSIBLE EARLIER USE OF NUCLEAR WEAPONS BECAUSE OF CUT-BACK IN CANADIAN FORCES**

**Hon. Robert L. Stanfield (Leader of the Opposition):** Mr. Speaker, I would like to ask the right hon. Prime Minister a question. In view of his concern to do everything feasible to avoid nuclear conflict—a concern which is shared by all members of the house—could he give us his reaction and the reaction of his government to the indications given by the British and United States Secretaries of Defence that a cut-back in contributions to NATO would create a need for the earlier use of nuclear weapons by the NATO forces in the event of conflict?

**Right Hon. P. E. Trudeau (Prime Minister):** Mr. Speaker, I do not see how the logic of that argument could apply to the Canadian decision. If NATO were to withdraw completely its conventional forces, perhaps the proposition would be sustainable; but there is no suggestion on the part of this government or other members of NATO that we cease to provide conventional means of warfare. If, in our case we are trying to establish a kind of participation in NATO on a conventional basis, this, precisely because it is conventional, would not increase the danger of nuclear warfare.

**Mr. Stanfield:** For clarification, Mr. Speaker, I should like to ask this question. I am sure the Prime Minister understands that the suggestion is that the reduction in conventional forces would create a need for the earlier use of nuclear weapons. Am I to understand that the Prime Minister regards that as an invalid position on the part of the Secretaries of Defence of Great Britain and the United States, and that the government of Canada does not propose to review its decision in view of these indications?

**Mr. Trudeau:** Mr. Speaker, it is difficult to see the logic of this argument, which is based on the fact that we are reducing, or hoping to reduce, our nuclear commitments, that this would increase the danger of nuclear warfare.

[Mr. Sharp.]

**COMBINES****REQUEST FOR ACTION TO CURB TAKEOVER OF FIRMS BY FOREIGN CORPORATIONS**

**Mr. David Lewis (York South):** Mr. Speaker, may I address a question to the Minister of Consumer and Corporate Affairs. In view of reports of a very substantial increase in 1968 in the takeover of Canadian firms by American and other corporations, and in view of the very substantial increase in the number of mergers within Canada, would the minister now consider proposing legislation to strengthen the anti-merger and anti-monopoly sections of the Combines Investigation Act without waiting for the report of the Economic Council?

**Hon. Ron Basford (Minister of Consumer and Corporate Affairs):** Mr. Speaker, the report to which the hon. member refers arises from a study released either this morning or last night—I am not quite sure when it was released; I received it this morning—carried out for the Economic Council on foreign takeovers in Canada. It is a statistical analysis based upon information provided by the combines investigation branch from their merger register. As the press release of the Economic Council of Canada, issued on June 3, says, they will be shortly publishing, I hope this month, a report on competition policy in Canada which I expect will deal with the whole question of mergers. As I said in my statement in committee the other day when my estimates were being considered, I have already set in motion within the department machinery to receive the report and to revise the Combines Investigation Act as quickly as possible.

I think my position on that is clear. I think it would be most unwise for parliament to deal with a revised Combines Investigation Act until it has the report of the Economic Council of Canada on the subject.

**Mr. Lewis:** I have a supplementary question, Mr. Speaker. I cannot say I disagree with what the minister said, but I should like to ask him whether, in view of what he has said, he would consider tabling a copy of the study and of the report of the combines investigation branch to the Economic Council of Canada, and also arrange for tabling the merger register itself or the parts of it that are relevant to this discussion.

**Mr. Basford:** I am not sure of the procedure for tabling the study done for the Economic Council of Canada. Copies are easily