

*Competition Tribunal Act*

It is interesting to note that even the bankers are very concerned about this conglomerate takeover of a financial institution because of the danger of self-dealing. It is reported that most failures of financial institutions, including three-quarters of the bank collapses in the U.S., result from massive self-dealing. Yet here we have a Bill which, as I read it, specifically excludes this whole question of conglomerate mergers. Clause 67(2) says:

For greater certainty, this section does not apply in respect of the acquisition of assets of a combination.

That explicitly excludes the concern we have over the Imasco takeover of Genstar. Yesterday a special Bill was tabled which the Government hopes will deal with that question, but in the meantime the deal is proceeding apace and we have no assurance that it is going to be stopped.

While the Conservatives have this ideological fixation on a so-called free market, they are beginning to recognize the need for legislation which will curb the worst excesses of that system. However, their commitment to the myth is so strong that the legislation is weak. It is important to remember that the market is a human creation and it must be regulated by humans. It will not regulate itself. On that basis the representatives of the people, namely, the Government, should be regulating it in the interests of the people.

Back in 1910 Teddy Roosevelt had some interesting things to say about this:

It is my personal belief that the same kind and degree of control and supervision which should be exercised over public service corporations should be extended also to combinations which control necessities of life, such as meat, oil, and coal, or which deal in them on an important scale.

I have no doubt that the ordinary man who has control of them is much like ourselves. I have no doubt he would like to do well, but I want to have enough supervision to help him realize that desire to do well.

We do not need to point the finger at the people in charge of these corporations or paint them as bogymen, or as people who are evil in a way other people are not. We can say, as Teddy Roosevelt said, that no doubt they are the same as we are. No doubt they wish to do well. However, we have a responsibility to provide the kind of supervision which will ensure that they do good. So I urge the Conservatives to shuck off this ideological fixation they have with the so-called free market.

The second reason this Bill is weak is pragmatic; that is to say, big business lobbyists got to the Government. In fact, there were five groups who were particularly involved in vetting this Bill before it ever came before the House of Commons, the Business Council on National Issues, the Canadian Chamber of Commerce, the Canadian Manufacturers Association, the Grocery Products Manufacturers Association, and the Canadian Bar Association. These five groups obviously got to the Minister and went through the provisions that were to be included in the Bill to make sure there was nothing they could not live with. The fact that it is so acceptable to them is fairly conclusive proof that the Bill does not offer the kind of protection consumers need.

We have just finished several years of Liberal Government. While the Liberals perhaps do not share the ideological opposition of the Conservatives to regulation in the marketplace, they were quite susceptible to the pragmatic reasons for having a weak Bill. They let a lot of the same lobbyists get to them.

● (1210)

It was instructive to hear the Hon. Member for Nore-Damde-Grace—Lachine East (Mr. Allmand) saying he was glad this Bill was more acceptable to the business community. Since 1971 we have had four Bills introduced before this one and not passed. This is the fifth attempt to bring in legislation to deal with the whole question of consumers.

It is my understanding from talking to people who have looked at the previous Bills that this Bill is the weakest of all. It is interesting that when the Liberals were criticized yesterday for failing to act, the Hon. Member for Papineau (Mr. Ouellet) said that one of the reasons they did not get their Bill passed was because of the bell ringing incident during which the bells rang for two weeks and the House was stalled by the Conservatives. It struck me as being rather strange, that this must have been the two weeks during which the Liberal Government was to be at the very peak of its performance, that it had so much great legislation to be passed in that short two-week period which never saw the light of day, and has been buried ever since, all because of that short two-week bell ringing incident. If the Liberals have nothing else to thank the Conservatives for they should be down on their knees every day thanking the Conservatives for that bell ringing incident, giving them that great excuse for all the legislation they did not pass over the last 20 years. Certainly that has some relationship to this anti-combine legislation.

The need for this kind of legislation is very obvious. Since 1979 there have been some 22 mergers in Canada involving assets with a transaction value of over half a billion dollars. In 1980 the British Columbia Resources Investment Corporation acquired Kaiser Resources Limited, or 66 per cent of it, for \$665 million. Those of us from British Columbia know all about the BC Resources Investment Corporation. For others, I would just like to remind you that BCRIC was Premier Bennett's experiment in people's capitalism. He was going to show the people of British Columbia what capitalism was all about, so he took the assets of the province that had been built up over a number of years in public ownership, and he put these within the British Columbia Resources Investment Corporation. He gave everybody six free shares, and then he put some shares on the open market. A lot of small people put their life savings into those shares. They bought them at \$6 a share. They took Bill Bennett's word. This was their entry into the whole world of capitalism led by the Social Credit Premier of British Columbia. This is the same corporation that took over Kaiser Resources. Today those shares are trading around \$2, if you can get \$2 for them. They went from \$6 down to \$2. That is people's capitalism under the Social Credit Government.