

Competition Tribunal Act

As I say, I am puzzled as to why the Government would not incorporate in the Bill this proposal made, not by me originally, but by the Consumers' Association and the CFIB. As this debate continues I become more and more convinced that the Government has no real intention or desire to see this Bill work effectively in dealing with a monopoly situation.

Mr. Bill Domm (Parliamentary Secretary to Minister of Consumer and Corporate Affairs and Canada Post): Mr. Speaker, on Motion No. 12 the Hon. Member is proposing to amend the pre-notification provision for the acquisition of voting shares by reducing the threshold from \$35 million to \$15 million. I have difficulty understanding why the Hon. Member is suggesting that the threshold for the acquisition of voting shares should be different from the one for the acquisition of assets, as this will surely be the effect of this proposal.

I believe that the effect of this motion will be to create confusion, and it may provide an incentive to restructure transactions to avoid pre-notification. For these reasons I cannot support this motion.

Mr. Nelson A. Riis (Kamloops—Shuswap): Mr. Speaker, I do not plan to prolong this debate unnecessarily, but since my colleague from Winnipeg North spoke very briefly I thought I would simply add a few comments to fill up his time allotment.

I think that there are two points that have to be made. One is the fact that in certain parts of Canada traditionally the size of corporations tends to be smaller. I am referring, of course, to the corporations existing in the hinterlands where we are very concerned about the level or need for competition and the concern of what continuous corporate amalgamations, takeovers and mergers mean in terms of lessening competition in the hinterland regions of the country.

When you consider that both the Consumers' Association and the Canadian Federation of Independent Business suggested a \$15 million figure, I suspect that that was one of the concerns that they had in mind.

When you look at what is going on today in the Province of Alberta, and you look at the mergers that are taking place there, almost by definition most of the mergers that are taking place these days are in the category around the \$15 million mark. These tend to reflect the small Canadian independent companies that, under the present situation in the traditional oil patch are simply finding it impossible to continue and are essentially at the mercy of any company which wishes to come in and take them over.

Considering that this simply aids and abets the process of the takeover of small Canadian companies, it is something that we should consider when we vote on this particular amendment.

The other point that my colleague from Winnipeg North made was that the government amendments for acquisition, which must be reported to the Director of Investigation, simply limit the amount to those assets that are in Canada. Now, what this means then is that if a corporation has a small asset base in Canada but a large asset base in Hong Kong, Japan, the Phillipines or some other country, it will not come under scrutiny. In other words, it will not be considered a company with a large enough asset base here in Canada. Consequently, the Director of Investigation will not be alerted to this particular takeover or merger.

We find that to be rather illogical when you consider that the role of the multinationals surely is one that we all are interested in and concerned about in terms of the impact that this has in terms of enlarging their sphere of influence in our own economy. Of all the western industrialized nations, we happen to have significantly more foreign ownership and foreign control of our economy than any other country. This will simply say that if you are a multinational corporation with a small Canadian asset base, if you wish to make acquisitions in Canada you will not be subject to the watchful eye of the Director of Investigation. For that reason, my honourable friend from Winnipeg North decided that this was an appropriate motion for our consideration.

Mr. Domm: Mr. Speaker, we are now dealing, I guess, with debate on Motions Nos. 13 and 14, and I will put my remarks together—

The Acting Speaker (Mr. Paproski): I have not dispensed with No. 12. Order, please.

Is the House ready for the question?

Some Hon. Members: Question.

The Acting Speaker (Mr. Paproski): The question is on Motion No. 12. Mr. Orlikow moved:

Motion No. 12

That Bill C-91, be amended in Clause 47

(a) by striking out line 26 at page 62 and substituting the following therefor: "rations would exceed 15 mil-".

(b) by striking out line 34 at page 62 and substituting the following therefor: "(i) would exceed \$15 million";

Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

The Acting Speaker (Mr. Paproski): All those in favour please say yea.

Some Hon. Members: Yea.

The Acting Speaker (Mr. Paproski): All those opposed please say nay.

Some Hon. Members: Nay.