

*Competition Tribunal Act*

the House, that her policy is a failure because she deregulated the oil industry in a market that is not a free market. That is a fundamental flaw. That is why Canadian oil prices have not gone down as quickly as American oil prices when there was this dramatic decline in world oil prices.

We have a situation in Canada, as I said, where the Minister has the worst of both worlds. The independent Canadian Alberta producer is dying. The big multinational companies will survive. The small producer is getting paid \$10 a barrel for oil. Companies cannot live with that. On the other hand, although prices have come down a little bit the amount should have been double, the consumer, the motorist, is continuing to get ripped off at the pump. This Bill, I am afraid to say, will not remedy the situation.

**Ms. Lynn McDonald (Broadview—Greenwood):** Mr. Speaker, I am rising to speak on the hoist motion of the New Democratic Party on Bill C-91. We are very concerned that not enough work has gone into this Bill and that the work has been developed into going backwards from previous Bills on the subject. A six month hoist is a very strong suggestion that the legislation is inadequate and that one has to go back to square one in rethinking what it should be. That is what we want to convey this afternoon.

Competition reform is among the saddest experiences "in Canadian public policy". That is not just our judgment, but a judgment made by independent academics and researchers working on the subject. The study *Canada's Competition Policy Revisited* lays blame very clearly. It states:

This judgment is made all the more painful by the realization that, contrary to often expressed belief, the outcome—

meaning this legislation—

— was not inevitable or beyond the control of governments determined that it be otherwise.

We have a story here of continuing failure over a long period of time to deal with the problems in competition in Canadian business.

The Economic Council of Canada began deliberating toward a modern and an effective competition policy in 1966. It produced an interim report in 1969. The first competition Bill was tabled in 1971 as Bill C-256. There are those who think that that was the best of a rather sorry lot of competition Bills.

To date none of the studies, Bills, speeches or commitments has produced a law which would reform the situation. In fact, we have this judicially hamstrung legislation on the books. Instead of moving to make it tough and effective, we have this extremely weak, watered down version before us today.

Being asked to accept Bill C-91 as the ultimate development of competition policy is hypocrisy indeed. It is a fifth descendant of Bills, each one weaker than the one before. Bills C-256, C-42, C-13 and C-29, all have attempted to reform competition law in this country and all of them have failed. One would

have to be very ill-advised to think that Bill C-91 is going to do the trick.

To introduce this legislation, the Minister of Consumer and Corporate Affairs (Mr. Côté) felt he had to pay a price. It is a trade-off that should never have been accepted. This is like asking the foxes to regulate the chicken coop. We have a Minister that let big business have what it wanted and was not prepared to give protection to consumers.

The groups that have argued with the Minister's Department over this Bill got what they wanted. Consumers did not. The groups that were successful, the big groups, the money groups that have a lot to gain by having weak competition policy and laws, are on the Business Council on National Issues, the Canadian Chamber of Commerce, the Canadian Manufacturers Association, the Grocery Products Manufacturing Association and the Canadian Bar Association. If these groups are satisfied, we certainly are not.

What about consultation with people who know about the subject and who care? Unfortunately, the Minister has had his Department engage in a *pro forma* kind of consultation. The Minister bragged in his press statement of December 17 that he has been listening not only to business interests, small and large, but to the provinces, to consumers and to organized labour.

We know something about this consultation. Organized labour was given a very perfunctory hearing and there was no follow-up as to what the Government was planning to do.

The Consumers Association of Canada was essentially told to like it or lump it. We are very concerned about the fact that business groups get the opportunity to make clause by clause representations and get their way and groups which are concerned with protecting consumers do not.

Competition reform as a priority for the Government gave way to incrementalism and stage one and stage two concepts when it was realized the Government would have to fight to implement a good policy. It was unprepared to take on this fight. It is not that it was resigned to getting half a loaf after putting up this fight, but it deliberately lowered its sights. It did not take it on. It was not prepared to fight for a better economic deal for average Canadians.

● (1650)

We have to look at what this misguided, ineffective policy is costing Canadian consumers at the present time. We have a highly concentrated economy with major sectors which do not have adequate competition in them. It has been estimated that the cost to Canada of this lack of competition is 7.5 per cent of Gross National Product. The 1984 estimate of Gross National Product is approximately \$416.6 billion. That means that the cost of economic waste attributable to the absence of price competition in Canada is \$31.4 billion and rising yearly. This is the cost that consumers pay for not having competitive prices.