

Combines Investigation Act

manufacturers, if it is not unethical, it is unfair. It is unjust to the merchants who are selling these appliances and are giving service on them. It is unfortunate for them that they did not bring this before the combines committee when they were discussing these matters. However, I told them I would probably have an opportunity to bring their case before the house.

The situation that they are complaining about is this. The builders and contractors are able to buy at a level at which they are unable to buy; they are able to buy at a much cheaper price. They want to know why they cannot be extended the same advantage so that they can pass it on to the consumer.

It is not a question of raising the price or of loss leaders. It is a question of ethics and unfairness. I do not think the manufacturers would be very proud of the situation. As was pointed out by the hon. member for Skeena, what they have established is another level at which to sell and which is unfair. It is not a matter of giving a competitor a lower price but it is a matter of establishing another level altogether with the builders and the contractors. Even though there is a difference of some \$40 they do not complain about that. They say that is perfectly all right as long as they have the same opportunity to get the same price to be able to enter into competition with them. They claim that they cannot go to court over it because they have established these different sales levels that they claim are unfair. I should like the minister, if he can, to give a clarification in interpretation of the matter.

Mr. Fulton: The hon. member mentioned this case to me briefly a few days ago. At that time I said to him that without having the full facts I would not care to express an opinion one way or another. I suggested that he might get those who were complaining to him to bring their complaints to the attention of the director of the combines branch and that with all the facts available to them we could see whether there is an offence or whether there is an indication of an offence under the existing legislation or, if there is not an offence covered by the existing legislation, then we could see precisely and in detail the implications of what he has outlined and discuss whether we should take the opportunity of suggesting an amendment.

At the present time all I can say in addition is that our legislation does make it an offence for a person to sell goods to competitive purchasers at different prices or with differing price discounts for sales of the same quantity and quality of goods, as a practice. These are the facts that would have

to be established. If they are established there is a prima facie case of an offence under the section. I am not able to say and I would be very unwise to try to say whether on the basis of the necessarily brief outline with which I have been supplied so far there is an indication of such an offence. I can only try to indicate what the section in general provides and then suggest that those complaining that they are victims of an offence should send full information to the branch.

Mr. Small: I might add that they were so greatly concerned about this matter that they went to another city. They had an option on some land such as a subdivision and they called on manufacturers. I will not name them. They are all in the same category. He did not say very much because he did not have time to go into detail. But he did indicate that he was a builder and that he had just recently gone into business, that he had purchased so many of these units, not from the one company but from different ones, 50 here, 20 there and 2 or 3 some place else, established different categories. He purchased them at very low rates because it was going out to the contractor but they had to be delivered to a lot. That was a simple matter. He had them delivered to the lot and he took them to his place.

But he did establish that there was a different level on the sale from what you would call the price to the one that was purchasing electrical appliances. That was the basis of it. I thought he had a good case. The legal advisers claim they thought he would not have a clear case or a prima facie case to go before the courts. I forgot to submit this to the minister but I will submit a statement of the case if that is necessary. I told them that as far as the law was concerned, I would have the matter clarified. Fortunately this just happened in a conversation with them yesterday. I said I would have a chance to bring the matter before the house but I did not think it would be this soon.

Mr. Pickersgill: I am sure that we are all interested in the clarification of the problem that has been given to us by the hon. member for Danforth. It just shows how valuable it is to have a practical man speaking once in a while in these committees.

The Chairman: Is the committee ready for the question?

Some hon. Members: Question.

Amendment (Mr. Howard) negated: Yeas, 1; nays, 47.

The Chairman: Shall 33A as amended carry?

Some hon. Members: Carried.