

*Competition Tribunal Act*

opposed legislation which would have made the market economy more competitive. Because they were so big, well organized and well financed, they were able to mount massive publicity campaigns saying how bad the various Bills were. When they are up against the five big associations, to which I referred, they did not have much success.

● (1140)

We also had associations of small businesses which supported those Bills over the years; for example, the Independent Petroleum Association. Small businesses knew how they were being treated, in many cases by the large companies, the multinationals and the combines that were going on, and how they were hurt by predatory practices to prevent new entries into the market-place, and refusals to deal.

I congratulate the Government for bringing in this Bill. It is not as strong in its present form as I would like it to be, but it is certainly a step in the right direction. We will support the motion to send Bill C-91 to committee where we will listen to witnesses and perhaps try to improve on the Bill to make the legislation even better.

The purpose of competition legislation and the original purpose of the Combines Investigation Act had fine principles, but the legislation was ineffective because it was criminal type legislation. The purposes have always been the same, namely, to promote fairness and honesty in the market-place, to promote economic efficiency, to prevent or reduce the abuse of economic power by large conglomerates, to protect the consumer and to protect small business. These have been the goals over the years. They are worthy goals and ones we support.

I earlier mentioned Professor Stanbury of the University of British Columbia. He is probably one of the best known experts in Canada on this subject and he has written extensively about it over the years. He points to some of the improvements that this Bill will bring about in our competition legislation. He levels, however, two important criticisms against the Bill. One would hope that we could concentrate or focus on these shortcomings when the Bill goes to Committee. First, with respect to mergers, mergers will now come under civil law provisions rather than criminal law provisions. This means we will be able to use the substantial burden of proof, or the predominant burden of proof, rather than proving beyond reasonable doubt, which is the burden of proof required in criminal law cases.

The central task for the judges in the new competition tribunal will be to determine whether a proposed merger is, and these are the words, in the Bill, "likely to prevent or lessen competition substantially". Professor Stanbury points out, and probably with reason, that the word "substantially" is not defined. That may put up a very serious roadblock to making this legislation effective, if the courts judge that "substantially" is a very large barrier to cross. As a result we will be no better off with this Bill than with the merger provisions in the present legislation. The word "substantially" could cause a lot of

difficulty when we go to prove that mergers are likely to prevent or lessen competition.

Professor Stanbury also has some criticism for the new monopoly section. Once again it is a good thing these provisions have been transferred from criminal law jurisdiction into civil law jurisdiction. It may still be very difficult to enforce, because the Crown will have to establish four items of proof. First, the Crown will have to prove that one or more firms substantially or completely control the relevant market. That will not be easy to prove even with the civil burden of proof. Second, the Crown will have to prove that the firms have engaged in a practice of anti-competitive acts, such as those listed in the section. That may be easier than the first burden, but it is still difficult. Third, the object of the practice is to lessen competition. It is easy enough sometimes to prove that certain firms are engaging in certain practices, but then to prove that their purpose, their intention, in doing those things is to lessen competition might be extremely difficult. Fourth, the practice of lessening competition has had, is having, or likely to have the effect of lessening competition substantially. Once again, that word "substantially" could cause a lot of problems for the Crown in trying to prove its case where there is abuse of dominant position in the market-place.

A Bill like this has to provide balance. It is always a question of judgment as to what that balance should be. But it has to be a balance between the rights and responsibilities of large businesses as opposed to small business, especially small business that is trying to enter a market-place dominated by big firms. We must also maintain a balance between investors, entrepreneurs and consumers. We do not want to discourage investment or to harm consumers. We want to be sure they get the best possible goods and services at the best possible prices.

We will vote to send this Bill to committee, not because we approve of everything in the Bill, but because we believe it is a step in the right direction. Once in committee, having heard witnesses, experts and consumers, we will try to make amendments. We reserve our right, however, to take a different position on this Bill once it returns to the House for third reading. If no improvement is made, we will have to decide whether or not we will still support the Bill. We are hopeful that improvements can be made in committee. I look forward to participating in the committee procedures.

**Mr. Nystrom:** Mr. Speaker, this Bill before the House is probably the fifth generation of Bills in competition policy going back to 1969. As I recall, we have had a whole series of Bills since 1971. I see five pieces—

**Mr. Allmand:** This is Bill number six.

**Mr. Nystrom:** This is Bill number six? The first one was Bill C-256 in 1971, then Bill C-42, Bill C-13 and Bill C-29. I have obviously missed one if this Bill before the House is the sixth attempt at competition policy.

One of the concerns I have is that there is a powerful corporate lobby in Canada which always seems to succeed in