

*Competition Bill*

six o'clock on November 5 of last year on CBC radio by Ruben Bromstein of the Canadian Federation of Independent Business, which has some 9,000 members across Canada. Mr. Bromstein said, of this legislation:

Clearly, we are most pleased that the bill has been introduced... basically it is giving small business an opportunity to be protected by the law. And even after a decision has been made that somebody is violating the law, a small businessman will have the opportunity to sue in court to collect damages that have occurred because he has been hit by the people who are trying to drive him out of business, or are in some way affecting his business unfairly.

What we are concerned with here is that the government seems to have made a genuine attempt to catch the errors (at least that's the impression I'm getting from reading these provisions) and to try and, in a staging process, get at the problems that affect him.

That is a small business leader of probably the largest association of businessmen in Canada. I have another quote here from Gail Scott of CTV News on November 5, 1973 when the bill was first brought in during the last session. She said:

... the new act does go a long way to regulate continual consumer problems and if implemented, will bring with it many of the changes that consumers have been asking for.

Biographer and columnist Geoff Stevens of the *Globe and Mail* said:

Many of the bill's provisions make simple good sense.

Two encouraging aspects of the new bill are that it would bring a broad range of services (as well as goods and products) under regulation and it would give the Restrictive Trade Practices Commission the power to order a halt to illegal business practices.

And finally, one of Canada's leading experts in competition and consumer law, as quoted in the *Globe and Mail* for November 17, 1973, Professor Donald N. Thompson, Professor of Administrative Studies at York University, said:

One of the rare abilities in this world is that of taking a good but controversial idea a lot of people find objectionable, and revising, rewording and re-introducing it so that it says exactly what it said before but is now embraced as being both desirable and different from what it was.

This is precisely what has happened with the new competition bill, introduced by Herb Gray, Minister of Consumer and Corporate Affairs, as an amendment to the Combines Investigation Act.

So, from a broad section of the media, from business leaders, from experts in our universities, comes acclaim for this bill. Mr. Speaker, if I were still in the news business, as once I was, and I were faced with deciding how I could handle this bill, I think my first reaction would be, "If only you could bring in something like this piece by piece over a number of days". Each of the many actions within it is major front page news of very real significance.

I should like now to talk about some of the particular aspects that relate directly to consumers, some of the principles involved in this bill. In the area of misleading advertising, particularly significant is the proposed new clause that would apply to prices shown on the article itself or, as set out in clause 36(2) (b):

—expressed on anything attached to, inserted in or accompanying an article offered... for sale,—

—on point of purchase displays or in any advertisement. In fact, statements made by salesmen in the store, by telephone or in door to door selling—any presentation, can be judged. If it is not correct, then under the new provision the general impression created by representation, as

[Mr. Fleming.]

well as the literal meaning, would have to be taken into account by a court in determining whether or not that advertising was misleading. There is real discipline provided by this measure and Canadian consumers can expect to get the straight and honest facts when they are considering a piece of material, goods, or now, services.

As well, it often happens that people are worried about the merchandise they are about to purchase; that it will not stand up or there is something about it that makes them uncertain. The assurance given by the salesman is that there is a guarantee or warranty. It is a very official, ceremonial looking piece of paper with a lot of small print that they do not understand. That is their reassurance and, even though there is something about the object they are about to buy that they are not sure about, they go away and find out later that the piece of paper means nothing. However, it helped the salesman get rid of the object. The buyer is stuck and must take the loss. I think the principle underlying this legislation is tremendously important. I am referring to that part of the bill which says that warranties, guarantees or promises to replace or repair an article offered for sale are misrepresentations contrary to the act if there is no reasonable prospect that they will be carried out.

● (1600)

May I continue talking about the misleading advertising section of the act. Clause 36(1) contains a principle of great importance. We all know the tremendous impact of the advertising on television which shows the lovely lady next door, so to speak, with two kids; she is a model housewife—and says something like this. "I know that you just came across me, Mr. Announcer, but the wonderful, glorious truth is that I love this product. I use it all the time and what I have just said is completely spontaneous." That kind of nonsense will not wash anymore. If there is to be such advertising, the statements must be made by somebody who makes them honestly. There must be proof of this. This kind of testimonial cannot be used without the permission of that person.

I also hope there will be discipline, so that if somebody wants to put an appropriate plug on the air he will not be able to go out and conduct 500 interviews, then use the one interview that is suitable. I am not sure whether the bill, in its present form, will clamp down on such abuse. I hope the restrictions will be in the law, so that we may rely on the truth of what is said in this way by an alleged consumer who may advertise on the media.

Double tagging comes within the purview of the act. This crops up quite often and is of major significance. I believe last fall, as a result of investigations carried out under the direction of the Prices Review Board, we discovered that many stores, because people had been talking of inflation and so fanned the fires of inflation, had put on more than one tag. Retailers had put new prices over the old ones, and the new prices were charged even though the commodities had been on hand when the old price had been charged. These commodities had not been bought at increased prices. The sale must be at the lowest price of any tag put on the article. I would be pleased if we could even go further and say that the commodity in stock must be sold at the going price, and that its price cannot be jacked up when more expensive stock arrives later.