and clippings I see this sort of thing—a newspaper heading in the Vancouver *Sun* for December 16, 1963: "Tougher Combines Measures Promised". The first paragraph of the report says:

> Justice Minister Lionel Chevrier has promised to consider putting "teeth" into federal anti-combines legislation to strike at companies guilty of collusion, mergers or monopolies.

I notice a heading on the article reporting the minister's speech at Montebello—"Favreau Favours Law Change on Mergers". Then in November, 1964, the heading on a Canadian Press dispatch reads "Seek Changes in Combines Legislation". So we have all the evidence that this question has been under study—that the ministers understand the problem very well. But there has been no action. There may be a reason for this inaction, but I think that somewhere along the line there should be an explanation.

It must be admitted that the Combines Investigation Act has not served us very well. It is not preventing mergers from taking place; it is not preventing mergers which lead to monopoly situations. A number of people say from time to time: "There is no reason for bigness. Bigness is not synonymous with badness. You should not keep talking about this question of monopolies." It may be true that bigness is not synonymous with badness, but bigness in the sence of monopoly control—and there is a great deal of this in Canada—does mean that a company or a few companies are in complete command of the price mechanism of an industry. In western Canada, for example, there is only one sugar company for the four western provinces from Manitoba to British Columbia. It is true the government did try a case on this but, as I mentioned, it failed because of the weakness of the merger sections of the act.

This is the situation which faces us. We find individual companies controlling the market. This can happen quite apart from the combines law. They can achieve this position without infringing any laws.

• (8:10 p.m.)

I suggest this is a problem we shall have to face up to because there is no public accountability by these companies. There are, however, several answers to this. One is public ownership, of which we have a great deal in Canada. The other is the method of the public utilities commission before which companies have to prove their case before price increases can be sanctioned.

But I suggest that the position of some of these companies is so powerful, and the effect they have on the economy is so great, that we need some type of public accountability which does not exist at the present time. I do not care whether it is a company which rules over the sugar market or has effective control of the steel market, the day will have to come when it will be accountable to a public body. There is not much use in having a body such as the Economic Council of Canada making recommendations concerning growth and price stability if companies, such as in the case of the steel companies last spring, pay no attention to the recommendations of that body.

I am only going to deal with this one aspect of the justice estimates, and to sum up I wish to say there have been no changes in combine laws since the government took office in April, 1963. These laws have apparently received a great deal of study because they have become deficient, and the public at large do not know how companies arrive at their decisions concerning prices. I hope very much that a responsible minister will answer some of these questions about combines legislation and the administration of combines law in Canada.

Mr. Cashin: Mr. Chairman, I rise, briefly I hope, to deal with one matter, namely the Spencer case. I have read the remarks made by certain opposition spokesmen, and I have listened in particular to those of the right hon. Leader of the Opposition. I suggest that there is something of a hollow ring to these remarks because a study of this kind of situation over the past several years indicates no evidence that the present official opposition would have dealt with the matter differently had they been in office today. Substantially, the Spencer case has been handled in much the same way as were similar cases of this nature subsequent to world war II.

Indeed, if there have been any improvements in the handling of some of these cases it is because of a procedure announced in the House of Commons by the Prime Minister on October 25, 1963. On that day he publicly announced a change in policy adopted by the administration to cope with these security matters. This improvement was welcomed by the spokesmen for all opposition parties as a step forward and an improvement in the situation. But today we find the official opposition, particularly the right hon. Leader of the Opposition and some of his more vocal