

Supply—Privy Council

I should not like to see the wartime prices and trade board reinstated in peacetime but on the other hand I think that the public have been gouged over the last 25 years and perhaps the combines machinery which attempts to prevent this problem needs a complete overhaul.

I am not going to mention cases, Mr. Chairman, because I do not think this is the proper place to do so, but there were one or two cases of large companies which were investigated by the Mounted Police some 10 or 15 years ago. In my opinion the \$25,000 fine imposed at that time amounted to nothing more than a licence to combine. It seems to me that if we are to have anti-combines legislation at all, the courts handling these cases must be almost unlimited in their power to impose penalties.

I do not know why drug or glass companies should be prosecuted while oil companies, for example, are not. Although we know how difficult it is to bring the great international combines before a Canadian court, nevertheless I believe that sometimes their subsidiaries might well be brought to court in cases where there is reason to believe they are combining to the prejudice of the public by charging the consumer prices which have no bearing on the ability to produce oil and petroleum products in this country.

I do not think it is necessary to go into competition by producing oil under government control but I think that some sort of consumers bureau might well be set up. When the proper officials and the minister in charge of such a bureau feel that there is evidence to show that the consumers of Canada are being subjected to combines tactics, such combines should be brought before the courts and a penalty imposed which would be conducive to better trade practices. As I said before, and I think it is worth repeating, I do not believe that a \$25,000 fine imposed upon the great glass combines or the big drug combines or oil combines is in the nature of a restrictive penalty at all. Such a penalty is nothing more than a licence to combine. It is quite possible that such a company would recover its \$25,000 in a very few weeks simply by raising the prices of its products by one cent. In cases where there is no competition this becomes increasingly the case.

I do not know the details of the cost of producing drugs in Canada but it seems passing strange—and I am aware of this from

[Mr. Bigg.]

one instance of personal experience—that certain pills can be bought by doctors for 1 cent apiece but are sold to consumers at anywhere from 2 cents to 40 cents apiece. If you happen to have the right outlet these pills can be purchased for 2 cents, 4 cents, 8 cents, 16 cents, 32 cents or 40 cents. Whatever the price the product is exactly the same.

In this regard one drug I could mention is what the layman calls "Orinace". These are pills which diabetics take and they cost the unsuspecting consumer 40 cents apiece. To my knowledge, Mr. Chairman, they are sold to a physician or to a drugstore for a cent apiece. It seems to me that a spread of 40 cents for something which is absolutely essential to some people for the maintenance of life is a form of price fixing or combining which should immediately receive the closest attention.

The present machinery for preventing combines is the Combines Investigation Act, though there are criminal implications. The same rules, for example, apply in the production of evidence. The only way in which evidence can be obtained to prosecute one of these combines is through the use of the law of conspiracy and the law of conspiracy is not a law which democratic people like.

• (2:10 p.m.)

If you put the responsibility for prosecuting on the shoulders of the Mounted Police you know what happens. That body is concerned with preventing breaches of the Criminal Code. When the R.C.M.P. have to be used as prosecutors, complainants and even in many cases as advocates in trying to enforce a law which is ineffective and obscure, then I do not think that kind of law should remain on the statute books. We should change it and make it effective or else do away with pretence entirely. I do not think it is the wish of the people of Canada, and particularly of this house, to have on the statute books a law under which the penalties are nothing more than a licence to combine.

The agricultural industry I feel is severely hurt by the prices of farm machinery as determined by combines. Numerous boards from time to time have been set up to look into prices of farm machinery. They have nearly always come up with the answer that everything is being done that is necessary and that we are getting co-operation in this country from the farm machinery companies. We have tried to change the tariff laws to bring about competition. As a matter of fact, most of our farm machinery companies are