

The amendment is to insert the words "guilty of an offence under this act and" after the word "be" and before the word "liable."

The next amendment is to section 14, on the same page at line 29. After the word "public" insert the words "or where such agreements exist and in the opinion of the commission but for their existence wasteful or demoralizing competition would exist in any specific industry."

Mr. YOUNG: What is the significance of the amendment?

Mr. BENNETT: Having agreed to the principle of the acceptance of the agreements, they would be extended to cases in which the result of there being no agreement would be demoralizing and wasteful competition. I think that is one of the matters referred to in the report of the commission.

Mr. YOUNG: If I heard the amendment correctly it would seem to indicate that where an agreement exists they might be permitted to sanction it.

Mr. BENNETT: That is the principle which we adopted when we passed section 14. In order that there may be no misunderstanding, perhaps I had better read the first part of the section:

In any case where the commission, after full investigation under the Combines Investigation Act, is unanimously of opinion that wasteful or demoralizing competition exists in any specific industry, and that agreements between the persons engaged in the industry to modify such competition by controlling and regulating prices or production would not result in injury to or undue restraint of trade or be detrimental to or against the interest of the public or where such agreements exists and in the opinion of the commission but for their existence wasteful or demoralizing competition would exist in any specific industry the commission may so advise the governor in council and recommend that certain agreements be approved.

That is repeating the words which appear in the earlier part of the section so as to carry the effect of the proposal into both matters which are mentioned in the section.

Mr. YOUNG: You not only give them the sanctioning of new combines but you permit them to sanction existing combines.

Mr. BENNETT: There is an investigation under the combines act and they must be satisfied that there is no undue restraint of trade or injury to the public interests or anything detrimental to the public interests. Investigations may be made with respect to existing agreements because the early part

of the section provides against wasteful or demoralizing competition. This carries into the fabric of the latter part of the section, the wording of the first part.

Mr. YOUNG: In the eyes of some people all competition in itself is wasteful and demoralizing.

Mr. MACKENZIE KING: If what my right hon. friend says is correct, would it not be wise to insert the word "unanimous" before the word "opinion" in the amendment?

Mr. BENNETT: I think the right hon. gentleman is right as the early part of the section provides for unanimous opinion with respect to wasteful or demoralizing competition and I am not sure that that is not carried into the proposed amendment. I think the word "unanimous" ought to be inserted between the words "the" and "opinion." With respect to the second amendment on page 5 I move that we disagree with their honours and ask that the word "unanimous" be inserted between the words "the" and "opinion" in the second line of the proposed amendment.

The next amendment is on page 6, line 4. For the words "the relevant sections" there is substituted the words "under sections four hundred and ninety-eight and four hundred and ninety-eight A or any other relevant section."

I think that is satisfactory. Then in section 15 the words:

The commission shall be charged with responsibility to recommend the prosecution of offences against acts of the parliament of Canada.

That is true; they do not themselves carry on prosecutions. In line 10 they have added the words "the attorney general of Canada" between the word "and" and the word "make," leaving out the words "undertake or carry on." They think that possibly it conflicts with the powers of the provinces. I think these amendments are satisfactory. In section 16 it is proposed to delete the words "or commodities," on the theory that the Interpretation Act covers the point without repeating it in the statute. The letter "s" is struck off the word "grades," making it "grade" in lines 29 and 30. The next amendment is one of importance, adding to subsection (1) of section 19 the words:

Provided that the commission may by regulation prescribe a list of specific commodities to which, in its opinion, it is impossible to apply this paragraph, and this paragraph shall not apply to any commodity appearing in such list.