

legislation, in the Combines Investigation Act, to deal with mergers and with monopolies. In the 75-year history of the legislation there was not one conviction under the provisions dealing with mergers and, as far as I know, there was only one conviction under the monopoly provisions, that is, the provisions dealing with the abuse of dominant positions in the market-place. Virtually those two very important provisions in the law have been ineffective.

Much important time was spent by officials in the Department of Justice and in the Department of Consumer and Corporate Affairs preparing cases against businesses and individuals who had, in their opinion, violated the provisions of the Act, but they were never successful. Why were they not successful? It was because the legislation was of a criminal nature. One had to prove beyond a reasonable doubt that the merger was harmful to competition, harmful to the free market economy and the market-place. The abusive dominant position had to be proved beyond a reasonable doubt. It was virtually impossible to mount that kind of proof when we were dealing with conversations between individuals and not with the eyewitness observations which comprise proof in other criminal cases. Of course there was very little written documentation when people got together to abuse the market-place. Most of that activity would be of a nature that could not be proved in that way.

The reason the legislation was of a criminal nature is that for a long time the law relating to civil matters had been under provincial jurisdiction and the federal Government had been left with criminal law jurisdiction. It tried to deal with these important problems under the criminal law, and it just never worked.

There was also criticism of the conspiracy sections of the Combines Investigation Act. There have been convictions under those provisions, but over the years the fines have been so low that they have amounted to being simply a payment to carry on illegal activity. I am pleased to see that in Bill C-91 the maximum level of fines has been increased to \$5 million. That is very important because very often large firms which violate or abuse the market-place can well afford by such abuse to pay a low fine and still make huge profits in the market-place, either by monopolistic practices or otherwise.

I have pointed to the fact that this is the sixth Bill since the report of the Economic Council in 1969. Each time a Bill was introduced to deal with these important matters it was delayed interminably by opposition, principally on the part of the "Gang of Five", as W. T. Stanbury of the University of British Columbia calls them; the "Gang of Five" being the Canadian Chamber of Commerce, the Canadian Manufacturers Association, the Business Council on National Issues, the Grocery Products Manufacturers of Canada and the Canadian Bar Association. Each time an attempt was made to bring in better competition legislation, there was massive lobbying, submissions to committee, more submissions, hearings, et cetera.

Competition Tribunal Act

Mr. Murphy: And the Liberals gave up.

Mr. Allmand: I can tell the Hon. Member that when I was the Minister there was not one attempt by the NDP to assist in this legislation.

Mr. Murphy: Oh, come on.

Mr. Allmand: As a matter of fact, I looked through the various Question Periods over the entire period of time, and the NDP showed little interest in this legislation. I do not know why. I would expect them to be more interested in it.

Those who were opposed to the legislation knew very well how it would affect their ability to make profits, but it was very difficult to translate the important provisions of competition reform in a way in which it could be well understood by the man on the street. Of course, the man on the street is interested in the lowest price and the best goods and services possible in the market-place. However, it was difficult to translate the complex provisions in the competition legislation so that he understood that it was to his benefit.

When these Bills were before the House—and almost the same thing is happening now—we did not receive massive support from the general public in favour of them. However, we received massive opposition by large businesses, the "Gang of Five" and the members of those associations. What is very interesting about this debate, which has been ongoing for many years, is that these are the people who say they believe in the free market economy. They continually brag that they are free enterprisers and that they believe in free competition. However, whenever we try to do something to make the market economy work in a more competitive way they oppose it. Why do they oppose it? It is because they are not really interested in the principle of free competition. They are interested in maintaining their dominant position, once they have attained it. In other words, for many of those firms the only thing which matters is the bottom line, not principle. I am sorry to say that, but that is what in fact happens. If they are in a position to dominate the market, they do not want to see the young enterprising small company come in to challenge them. They want to keep their dominant position, and to hang with the free market system.

In Canada over all these years we have had multinationals which in the United States had to submit to much tougher and much more effective anti-trust legislation. They were willing to live with it in the United States, but the subsidiaries of those same companies opposed that legislation in Canada right down the line. They said that while it was good for the United States, it was not appropriate in Canada.

Other countries such as the European Economic Community, Britain and West Germany, countries, which had great success in business, were revising and reforming their competition legislation, but some of the dinosaurs in Canada were opposing it. In my opinion, they were being paranoid in opposing it, and showing themselves to be a bit hypocritical. On the one hand they stood for the free market economy but