

*Combines Investigation Act*

the situation within which our industry must compete for markets in international trade.

Second, and even more imponderable but I think even more serious, is the fact that in international trade we are now coming into a situation where we are faced with the massive communist organization, represented by the Union of Soviet Socialist Republics, as a competitor and increasingly this great force is entering into international trade with the whole weight of the state behind it. This state organization is prepared to do anything to obtain markets for its exports and to eliminate markets for exports from other countries, particularly the western world with which, ideologically, the soviets are in conflict.

Our industry has demonstrated, I think to the satisfaction of most members of this committee, that the combination of these various factors has produced for them in the export field a situation in which they are increasingly unable to be successful unless they are also given an opportunity for organization in that field. They have represented to us that if laws are retained in all their rigidity which certainly raise a very real question about, the legality of the right to organize in export trade, then they are going to be at an increasing and permanent disadvantage. I do not believe, that anyone who listened to those representations, and especially any member of the committee who seriously considers the matter, would quarrel very gravely with the general effect of what was said. I doubt if anyone would question that there is a real, serious and difficult problem for our industry in the export markets.

The problem, rather, is one of disagreement on the desirability of doing something to remedy the situation, one of finding some method of amending our legislation so as to make it clear that what may be done in the export field may be legitimate but must not be allowed to spill over and have adverse effects on the domestic economy. However concerned we may be about the welfare of our industry in the export field, it still remains the primary concern of all of us to protect the interests of the Canadian consumer at home. The problem has been, therefore, to find an amendment which would take care of the situation in the export field and yet not open the door under that umbrella, as it were—there is a mixture of metaphors—to abuses in the domestic field.

In the course of the discussion before the committee I indicated this concern. I indicated that we were studying the problem. I made reference also to the fact that there is before the restrictive trade practices commission at the present time an inquiry into a situation in British Columbia in which this very problem was before the commission. I felt it might

be wiser to wait until we received the report of the commission because I felt that they must address their minds to the very problem I have outlined of how to reconcile these two possibly conflicting tendencies. However, representations were made with increasing urgency and the committee members were obviously very much concerned about it and impressed by those representations.

The hon. member for Bonavista-Twillingate, when we were considering the bill clause by clause in the committee, moved an amendment designed to have the effect of directing the attention of the court to a possible defence on a charge under this act that what was done was done with primary concern and effect in the export field. I asked the committee to bear with me in my position, stating that I was unable to accept the amendment because I had not had a chance of assessing its implications. I felt it was too general in its terms and might have the very effect about which I know the hon. member would be concerned, as well as I, and that is opening the door too wide and permitting abuses domestically under a provision which we had intended to have effect in the export field.

The hon. member for Bonavista-Twillingate indicated he appreciated my position but was unable to agree that he should withdraw the amendment. He, therefore, pressed it to a vote in committee and it was rejected by the committee. It was rejected, however, on the basis of my undertaking to give this matter further study in the interim between that time and the time when the bill would be reported back to the house, to see if notwithstanding my concern about our action being possibly premature until we had received the report of the commission, I could nevertheless in discussion with my officials and my colleagues find an amendment which we felt would be safe.

The result of this discussion has been that we have been able to devise an amendment which I believe will accomplish the result of making it clear that arrangements entered into by Canadian industry, having effect exclusively with relation to their activities in the export markets, may be exempted from the operation of this act, provided again that they do not have the indirect result, whether intentional or unintentional, of producing a disadvantage to Canadian consumers.

The scheme of the amendment is as I have indicated previously, in line with the scheme of subsections 1, 2 and 3 of the section we are at present discussing and it will become clear, I think, if I read the amendment which I am going to ask my friend, the hon. member for Burnaby-Richmond to move, if he will be kind enough to do so. It is:

[Mr. Fulton.]