

Private Members' Business

get their goods and products at a different cost or different availability than their neighbours across the river in the same market under the free trade agreement without some kind of government response? The government response should be an application under the Competition Act to ensure that if there is a good or a product sold in Canada that could be construed as being sold in the same market but under different conditions this government should ensure that the same conditions apply. Those products should be available at the same cost so that retailers can make them available to consumers at the same cost.

The Chamber of Commerce has alluded to a possible solution to this concern about price differentials between Canada and the United States. However, we have already indicated that there are a whole host of factors exclusive of those usually considered: high interest rates, a differential on the dollar, distribution systems, transportation costs, differential pricing and all of these things which should be looked at very carefully. That is why I have suggested that there be a royal commission on pricing in Canada.

My first thought was that a Royal commission to look at this problem was a bit bizarre. However this is not a novel, and therefore certainly not a bizarre suggestion. In fact, in 1934 there was a Royal commission on price spreads between producers and consumers. In 1949 there was a royal commission to examine the exorbitant price increases that plagued Canada in the wake of the Second World War. In 1959 and 1960 there was a Royal commission to examine why consumer prices for farm products were rising while the income to producers was falling.

I hope that this House will support my motion. It is conceivable that members can think of alternative approaches to the same issue which could lead to the same result. However, I submit that a Royal commission, as the precedents indicate, would be the most appropriate means to approach the issue of why, even when one takes into account taxation and takes into account transportation and other similar factors, even in the absence of those costs, the prices to Canadian consumers for too many goods are far in excess of those in the United States and far in excess of what they ought to be. This royal commission could determine what reforms in

how we distribute goods in this country would be appropriate to make it more competitive to sell in Canada and more appropriate for consumers to buy in Canada.

[*Translation*]

Mr. Jean-Marc Joncas (Matapédia—Matane): Mr. Speaker, I would like to respond to the hon. member from Windsor—Lake St. Clair's request concerning the establishment of a Royal Commission on Prices by the federal government.

• (1920)

For the benefits of all members, I think it is important to mention that several federal governments have appointed commissions of inquiry to monitor prices and other aspects of the Canadian economy. For example, the Royal Commission on Prices established in 1948, the Royal Commission on Canada's Economic Prospects created in 1955, the Prices and Incomes Commission of 1969 and Food Prices Review Board of 1973.

More recently, the Royal Commission on the Economic Union and Development Prospects, also known as the MacDonald Commission, has reviewed the whole Canadian market. This Royal commission highlighted the need to improve the competitiveness of the Canadian economy in order to meet the challenges of the global market. The Commission considered price competitiveness as one of the main elements of the economic future of Canada. Mr. Speaker, common sense suggests that we don't need another commission.

The most important question is how to make sure that Canadian prices are competitive. One of the basic priorities of this government is its commitment to market forces. The whole question of the cost of goods and services is closely linked to this priority and no government in Canada has relied more on the market for the greatest benefit of the private sector and consumers. Market forces have brought a much greater flexibility in prices and hence flexibility and efficiency in the Canadian economy. This government has chosen the way of free competition as a mean to improve market efficiency, and the economic growth and prosperity associated with it.