

Competition Tribunal Act

seems to condone conspiracy and allow the tribunal to ignore the argument of lessening competition unduly as long as it can be shown that some efficiency in the market-place is provided. In other words, it is acceptable to rig prices according to this clause. While competition has been lessened unduly, which is wrong according to the law, the tribunal can ignore that as long as there is some improvement in efficiency.

The Government proposes to increase the punishment from \$1 million to \$5 million. That does not even take inflation into consideration. It is as harmful as getting six lashes with wet spaghetti. Analysis has shown that the average fine in conspiracy cases is \$71,000 for the period from 1983 to 1985, which has really only kept pace with the inflation rate on such fines since 1900.

It seems to me that there must be a more powerful deterrent to price fixing. Price fixing is worse than robbery. It is deliberate. We New Democrats oppose the Bill. It does not include class actions. We have not had the kind of input into the Bill which should have been there in the first place. The Bill does not include any prohibition of conglomerate mergers and does not deal with interlocking directorates and management restrictions.

● (1700)

If this Bill ever gets to committee, you can expect, Mr. Speaker, that it will be thoroughly analysed. Hopefully, it will be tightened up in the areas we have pointed out.

Mr. Redway: Mr. Speaker, the Hon. Member is aware that the thrust and main issue of this Bill is to ensure that there is not a lessening of competition. The purpose of doing that is not because competition is all powerful in itself. The Bill is aimed at trying to improve the situation for the consumer, to make sure that competition does create lower prices, better quality and more choice. That is the main thrust of the Bill. I know that the Hon. Member is quite aware of the sort of merger and monopoly the Bill is aimed at. He talked about the conglomerate takeovers and mergers. He knows this Bill has provisions to deal with those takeovers if in fact they do restrict competition. However, as he has pointed out, they do not deal with the situation if competition is not restricted. If there is one of those wonderful conglomerate mergers about which the Hon. Member spoke, and it does not restrict competition, then it is not dealt with in this Bill.

The Bill introduced this morning by the Minister of State for Finance (Mrs. McDougall) deals with that to a limited extent with respect to the banks and financial institutions, but this Bill does not. I understand from the thrust of the Hon. Member's remarks that he would like to see this Bill deal with that sort of thing. I would like to know from him what the official policy of his Party is with respect to allowing or not allowing mergers that perhaps do not restrict competition in any way but even encourage competition. What is the official policy of his Party in that respect? Would he not allow any mergers whatsoever? And I wonder if his answer is going to be

one which his Party often espouses, an unrealistic one, or is he going to weasel out of an answer?

Mr. Rodriguez: Mr. Speaker, no one can ever accuse the New Democrats of weaseling out of any answer. In fact, if we want to look for weasels giving answers, we just have to go back to the promises made in the election campaign and compare them with Government policies now that it is the Government. That is where we will find the real weasels. Those people say things they think a lot of people want to hear and so will vote for them. But when they get into office, they stick it to them. I can only think of the Unemployment Insurance Commission and the way it treated people who took early retirement. Those are the real weasels.

I thought I made it quite clear in my speech that we should have a competition policy with teeth. We ought not to include such weasel words as "It's all right to do it as long as it does not substantially lessen competition". It seems obvious to our Party, and we have said this very clearly, that any lessening of competition—if that is the mentality which prevails in this Chamber—will be detrimental to the interests of the consumers. When we use the words "substantially lessen competition" the competition policy becomes not very effective. We have a competition policy which deals with vertical and horizontal mergers but does not deal with conglomerate mergers which are taking place in the reality of today. Why does the Government have to deal on an *ad hoc* basis with Imasco taking over Genstar? That should be part of a comprehensive competition policy which also provides class actions for consumers who do not feel they have received a fair shake in the market-place. It should also deal with the interlocking directorships and prohibit self-dealing. There is no prohibition against self-dealing in this Bill.

We have no objections to mergers but there should be protection within the legislation so that the consumers, when those mergers do take place, will be protected. We are saying they are not protected in this Bill. In fact, it is the opposite. The Bill is deliberately designed to give the impression, just as the Hon. Member did with his question, that it is an effective Bill when in fact it is nothing but a roaring rabbit.

Mr. Nunziata: Mr. Speaker, I want to thank the Hon. Member for Nickel Belt (Mr. Rodriguez) for his most entertaining submissions. They were a little weak on substance at times but nevertheless very entertaining. The Hon. Member made a number of good points. He indicated that the Bill has a number of loopholes. We in the Liberal Party are also concerned about the so-called "weasel words" referred to by the Hon. Member, particularly with respect to mergers. The new competition tribunal will look at proposed mergers and try to decide whether they are likely to prevent or substantially lessen competition. The Hon. Member for Nickel Belt is concerned about the addition of the word "substantially". He argues that the clause should simply read: "—the proposed merger is likely to prevent or lessen competition". I am sure the Hon. Member will recognize our concern with that. There