

Combines Investigation Act

the committee, ourselves to judge this matter not by the opinions of other men, which in effect is what we are being asked to do, but by evidence we would get ourselves.

We in this party have often suggested in this house in other matters that we want access to the facts; and indeed, we have made some progress in that direction. We have stressed the fact that no responsible person is entitled to reach a conclusion without it being his own conclusion. My understanding of the law of trustees is that the one thing a trustee may not do is say that he did not exercise his own discretion. It may be an exceedingly bad discretion—and of course there are various views as to the discretion of the people in this chamber—but as I understand it, provided he exercises an honest discretion a trustee is fairly sure to come off scot-free if his actions are ever attacked. I suggest that we are trustees in the general sense of that term, although of course not in any legal sense; and I suggest that we are being prevented from doing what a trustee is called upon to do by law—and by that I mean a legal trustee—namely, to exercise his own discretion, which presupposes that he has the facts.

At 6.15 I was going on to read some comments made by a man who came on in the early days of the committee proceedings, and who represented some of the people whom we think should have been represented more widely and should not have been turned back as some of them were. I now propose to read briefly from some of the comments made by Mr. Harris. I read them with particular pleasure because they bear on some of the remarks which have been made categorically and, I think without warrant, suggesting that really a manufacturer just dwells in an ivory tower and he dictates his prices to the rest of the community.

Mr. Adamson: Which, of course, is nonsense.

Mr. Howe: Is that so? I will give you some examples.

Mr. Macdonnell (Greenwood): I wish it were possible to have the evidence of the Minister of Trade and Commerce (Mr. Howe) on this matter. I am sure it would be extremely interesting, and that we could get much further if only we had had him on the witness stand.

Mr. Harris had something to say about the matter. He was given an opportunity to express his views and, as reported at page 258 of the proceedings of the committee, he said:

Our brief brings out these points: first, that resale price maintenance is a stabilizing influence on our economy.

I might remind you, Mr. Speaker, that before the dinner recess I mentioned the case of the women purchasers in Britain who brought out this particular point, namely that it was a good thing, first of all, to have a guarantee as to quality and, second, not to have that agony which besets a certain kind of person when he finds that he has bought at one shop something he could have bought much more cheaply elsewhere. They evidently like the stability or the uniformity of price; although there one must throw in a caveat, too, because it was brought out in other cases that there could not be a rigid uniformity, and that sensible manufacturers do not try to pursue the man who, through the exigencies of his business and through the necessity for ready money, was selling perhaps below the stipulated price. Mr. Harris goes on to say:

Secondly, the public has protection in the brand name and an assurance of quality.

I think we all agree with that statement. He continues:

Thirdly, minimum resale prices tend to become maximum. Fourthly, price maintenance limits the retailers' margin of gross profit.

Later on Mr. Harris has something further to say about that question of limitation. He continues:

Our next point is: Price maintenance does not lead to high prices; and again, price maintenance tends to stabilize production.

Now, in opposition to the findings of the MacQuarrie commission, we submit first that price maintenance does not restrict competition unduly. Secondly, we maintain that price maintenance tends to equalize prices across Canada; that is, in British Columbia and the maritime provinces—

He appears to include them in Canada, Mr. Speaker. I do not know why he should have any doubt about that.

Mr. Gibson: The Railway Act does that.

Mr. Macdonnell (Greenwood): I continue:

They have always suffered from the disparity in freight rates.

He goes right on to the point made by the hon. member for Comox-Alberni (Mr. Gibson). I am glad to have him with me in this. I continue:

So with price maintained items the prices tend to be the same throughout Canada as a whole. That, in turn, helps to equalize the cost of living throughout the country.

We further submit—and I say this, gentlemen, with bated breath—that the consumer is not an expert in the value of merchandise, except in use, and the brand protects her and the price protects the brand.

Mr. Harris evidently knows his stuff. He knows who the purchaser really is. I go on:

We further believe that price maintenance helps retail advertising, or rather enables national advertising which means greater advertising economy and more economical distribution to the consumer.

We further submit—