

*Combines Investigation Act*

Along with many members of the public, I was not very well informed with regard to the subject of resale price maintenance, until this debate was entered upon in this house and the committee held its varying sittings. My first reaction to the subject must have been the reaction of many people. I thought that something should be done about it. Then I discovered that resale price maintenance affected only a small part of the retail business, and I modified my opinion. I noticed from the report that in the early stages Mr. McGregor said, when asked a question as to how extensive was this practice, that he had heard the figure of 5 per cent, 10 per cent, 15 per cent and perhaps 30 per cent. That changes the picture for one who is looking at it for the first time. Subsequently, figures were produced showing that it was in the drug business that resale price maintenance was more extensive than say in the grocery business. Then I discovered that this practice had been in existence for a great many years, and I wondered why no action had been taken before. Why was this particular moment of time selected for action on resale price maintenance?

During the course of the sittings of the committee hearing and from members who were on it and subsequently in debate in the house here I discovered that not all the evidence was heard by the committee and not all the submissions that were to be presented to that committee were considered or heard. That raised a doubt in my mind as to the effectiveness of the work of the committee, and of the value of the legislation that was proposed. I read with the greatest interest Mr. McGregor's submission to the committee. I naturally, as members of the public do, respect his judgment in matters of this kind because of his lengthy experience; but I did notice that Mr. McGregor, after 25 years' experience with combines investigations, with knowledge of resale price maintenance, was not aware of the extent of the practice. At page 607 of the committee's evidence, at the top of the page, in reply to a question put to Mr. McGregor, asking him about the effect the proposed legislation would have on the cost of living, he made this answer:

Mr. St. Laurent had in mind, I presume, that a very inconsiderable number of items that are included in the cost of living index are in the price maintained area. After all, resale price maintenance does affect only one segment of all retail selling.

Q. What percentage? A. I have heard estimates from 10 to 15 to 30 per cent.

Q. You don't know definitely? A. No, I don't.

If Mr. McGregor does not know I certainly do not know, and I imagine the general public does not know, and it did occur to

[Mr. Churchill.]

me that surely a committee investigating this matter should have been able to bring out the evidence to indicate the extent of this practice. Reading Mr. McGregor's evidence I noticed he was of the opinion that there were too many outlets which, again in his opinion, were sustained by resale price maintenance. That is, he intimated that there were some stores operating in the country whose existence perhaps could be maintained only because of the advantage the storekeeper gained by having on his shelves articles sustained in price by resale price maintenance. Well, that I judged was an opinion, and perhaps the opinion of other people would be just as valuable or of some value in offsetting Mr. McGregor's opinion. If there has been an increase in the number of outlets, the number of retail stores, you would have to consider in connection with that the increase in the population. You cannot just take a figure and say, well, there are several hundred or a thousand more stores than there were a few years ago, without at the same time deciding on what has been the extent of the increase in the population. So it seemed to me that that was not a particularly weighty opinion, and I was a bit disturbed—I do not want to do any injustice to Mr. McGregor—at what appears from the evidence as perhaps a lack of concern on his part as to whether some of these outlets, as they were called, should be discontinued. Then again I began to consider in my mind the possible effects of this legislation, and I looked to see what Mr. McGregor would say with regard to that. I found that he said it might have a pretty disturbing effect for the time being. Well, that means that conditions, if they would not be chaotic—perhaps that is too wide a term to use—nevertheless if rather upsetting conditions would prevail for a considerable period of time among the retail merchants, that, I think, is a bit unsettling to everybody who is concerned with stability within our society.

I do not think any great benefit would result to our country if pretty disturbing effects are felt by the passage of this legislation and the abolition of resale price maintenance. It is for that reason I would suggest that certain delay might very well be considered until all the implications of the possible effects of this legislation have been considered. The small retail merchant, I know, from lengthy experience in small towns and in cities, is a person whose position deserves consideration and a certain amount of protection. The retail merchant, as has been pointed out—I do not want to repeat all the things that have been said before—