

Competition Tribunal Act

I think it would be instructive to put something on the record to indicate how the Consumers Association of Canada views this. I have a news release dated December 17, 1985, the day on which this Bill was tabled. The Consumer's Association of Canada says:

The new competition Act tabled today by Consumer Affairs Minister Michel Côté promises real progress for consumers and is a major improvement over current legislation. . . .

Urging—

I emphasize the words "urging" for the record, Mr. Speaker.

—that the bill get the highest priority, CAC's economic issues committee chairman, Robert Kerton, said it will help create "a marketplace where providers of goods and services must be innovative and competitive in meeting consumers' wants and needs if they are to prosper".

The news release goes on to say:

It should also help prevent wasteful mergers that reduce competition and concentrate economic power in fewer hands without compensating consumers through better prices, choice, or quality.

Kerton listed many positive features of the new Bill, including several that CAC has pressed for. Among them:

Corporate mergers and monopolies will become matters of civil rather than criminal law, making it more enforceable.

A new tribunal with no cabinet override will handle noncriminal matters; consumer groups will have a role in nominating tribunal members.

Merger provisions will be substantially strengthened.

Crown corporations will be included in the Act . . .

Conspiracy provisions . . . will be strengthened

Monopoly provisions will be strengthened

CAC will be highly supportive of these amendments

I would like to make a few remarks with respect to Crown corporations. It has been the experience in dealing with competition legislation that Crown corporations have been exempt, particularly in cases of unfair competition or what is known quite openly as "cartels". We all remember the Eldorado case in which it was actually ruled that a Crown corporation would not be liable for action under the Combines Investigation Act to the same extent that a private business would. In the Eldorado case the ruling was that Crown corporations would be immune when acting within their purposes. In the interest of fairness, all Crown corporations which are engaged in commercial activity should be subject to the same rules of conduct as private firms. That is contained in the Bill and that in itself is a landmark measure.

● (1750)

Again to hunker back to my Province of Saskatchewan, we have a preponderance of Crown corporations. Many of them are of the monopoly utility type that in a very conservative fashion are seen as rendering the best service when publicly-owned. That is obviously a conservative notion if one looks at a community in the sense all of us do philosophically with its involvement in looking after individual needs. However, in Saskatchewan, where we have had a socialist Government for 40 years, we have many Crown corporations competing head-to-head with private enterprise, and with, I argue, very

questionable reasons for being. Therefore, I find it very encouraging that provincial Crown corporations will be included in this legislation along with their federal counterparts and they will not be allowed to indulge in anti-competitive activities.

There is much more that could be said on this Bill, of course, but I thank you and the House for the opportunity to speak in support of Bill C-91.

The Acting Speaker (Mr. Charest): Questions or comments.

Mr. Epp (Thunder Bay—Nipigon): Mr. Speaker, I would like to offer some comments on the speech which the Hon. Member has just made and on the speech of my friend from Churchill earlier. The Hon. Member for The Battlefords—Meadow Lake (Mr. Gormley) feels himself to be in an ideological battle time after time. He speaks in defence of free enterprise against the fearful socialists. I suggest that one of the very real difficulties that we in the NDP face, one faced by our predecessor, the CCF going back to its first leader in the early 1920s, is that where economic power becomes concentrated in few hands we cannot get back to the kind of competitive economy that my friend believes in. The alternative has to be public ownership. If we cannot use regulation to deal effectively with natural monopolies, what other means do we have but to establish public ownership and trust that the Government of the day, sensitive to the needs of consumers, will ensure that these public enterprises operate responsibly? I do not feel quite ready to go that far today. I do not want to see the corporations controlled by the nine family groups passing into public hands, because that would represent an incredible concentration of power. If those companies ended up in the hands of a few public appointees, how concentrated would the power then be? It is precisely because of that problem that we want effective competition law.

I was interested to see that in making his comments yesterday the Official Opposition critic quoted from Adam Smith on the matter of competition. He quoted what is in fact one of my favourite Smith quotations which is very rarely taken seriously. I challenge my friends on the government side to take this statement very, very seriously. More than 200 years ago he said:

People of the same trade seldom meet together, even for merriment and diversion, but the conversation ends in a conspiracy against the public, or in some contrivance to raise prices.

Adam Smith was so convinced that business people would get together against the public interests that he did not even want a register of business people at City Hall so that someone could look the list over and say: "Aha, so these are the people that do the same things I do". Adam Smith hoped for a world in which competition would really prevail. It does not take a great deal of knowledge of economic theory among Government Members to realize that in competition of that sort, profits would melt away. Prices would be driven towards the cost of production. The existence of profits, which our friends are so eager for, are in a sense—