

*Combines Investigation Act*

Canada Wire, Canadian General Electric, Pirelli Cables, Canadian Westinghouse, Northern Electric and Phillips Electric. On item No. 2 the same six companies bid \$3,376. On item 3 the same six companies bid \$4,128. On item 4 the same six companies bid \$1,811. On item 5 the same six companies bid \$4,815.

This is not an accident, Mr. Speaker. This is obviously a combine, and obviously not much is going to be done about it. I know that obtaining proof is difficult, but I suggest that the practice which the governments of Canada have followed of taking cases to court when they do get evidence and securing a fine of \$3,000, \$5,000 or \$10,000 simply means that all we are doing is saying to these companies that this is a very cheap licence. We are saying to them: Once every ten or 20 years we will bring you to court, you will pay a very small fine and then you can continue doing business in the same old way.

There is no suggestion that we should issue an order to cease and desist. There is nothing in the law saying that people who have suffered can sue for damages, as is now being done and has been done very successfully in the United States. So we let this practice continue. I do not have too much time but I want to put on the record briefly just what happens.

In 1960 the Abitibi Power and Paper Company was fined \$15,000 when their net profit was \$15½ million in 1962, \$13.7 million in 1961 and \$12¼ million in 1960. What is a \$15,000 fine to them? The St. Lawrence Corporation was fined \$3,000 in 1958 and \$20,000 in 1960. What were their profits? In 1959 they were over \$6 million, in 1960 over \$7 million and in 1961 over \$7 million.

I want to mention some of the very respected and eminent directors of this company. One of them is Mr. Wilfred Hall who is not only a director of this company but a director of five other companies as listed in the directory of directories. Then there is Mr. C. M. Fellows who is a director of eight companies. Here is a real example, Mr. N. A. Timmins, Jr., a director of at least 20 companies covering banks, insurance, pulp and paper and food.

The Anglo-Canadian Pulp and Paper Mills Limited were fined \$3,000 in November, 1958, and \$20,000 in June, 1960. Their president, Mr. W. H. Howard, is a director of at least 20 companies. Mr. W. E. Soles is a director of nine companies and Mr. M. J. Foley is a director of six companies. This company has been fined \$23,000 in the last three years and they have reported profits of over \$4½ million in each of the years 1960, 1961 and 1962.

[Mr. Orlikow.]

Let us take the E. B. Eddy Company. In 1954 they were fined \$10,000, in 1958, \$6,000 and in 1960, \$20,000. In 1961 their profit was over \$2 million. Their chief officer, Mr. George Metcalf, is a director of 10 companies. Mr. W. D. Moffatt is a director of three companies. The Gair Company of Canada, which is a part of the Continental Can Company, had a net profit in 1961 of \$36 million. The company was convicted in 1940 and paid a fine of \$10,000. In 1942 they were fined \$2,500, in 1958, \$3,000 and in 1960, \$8,000. Their chief officer, Mr. James Stewart, is a director of 10 companies.

The Goodyear Tire and Rubber Company was convicted twice in 1953 and paid a fine of \$10,000 each time. In 1959 they made a profit of \$2,300,000, in 1960 a profit of \$2,900,000 and in 1961 a profit of \$3,610,000.

Does the government think for a moment that fines of \$10,000 are going to stop these companies for one minute? Of course they are not. And so it goes down the list. I am not suggesting for a moment that jail sentences are the only way combines can be controlled. I wish the government would take the time to read the recommendations made by the members of the restrictive trade practices commission and the officers of the combines investigation branch of the Department of Justice. If they have read them they have certainly ignored the recommendations that have been made.

But if we cannot get any basic changes which will tend to control the desire of some of the biggest corporations of Canada to steal from the public, I suggest that one thing we can do is to impress upon the directors of these companies that this law is just as important as the law which says that somebody cannot go into a supermarket and steal a couple of dollars worth of groceries. I suggest that the same kind of treatment should be meted out to the company directors, to the members of the Rideau club or the Manitoba club in Winnipeg, who are among the most respected people in this country. The same kind of treatment should be meted out to them as is meted out to poor people who find it necessary to commit much smaller crimes. Mr. Speaker, these are the reasons why I have moved this bill.

**Mr. Marvin Gelber (York South):** Mr. Speaker, whom the good Lord hath joined together let no man rend asunder is a wise warning, but certainly the Combines Investigation Act and the Criminal Code are mute evidence that all mergers are not made in