

*Corporate and Consumer Affairs*

The economy of the United States is still on the upswing and the editor of a leading market journal stated the other day that food prices in that country were about to increase once more. It is true, as the Minister of Finance (Mr. Sharp) said the other day, that food prices in this country have dropped slightly, but that was the only factor in the consumer price index that showed a drop. That drop, I submit, was not caused by government action but by hundreds of housewives and little old ladies running around with placards and bringing pressure to bear on the food distributors. The fact that food prices went down is an indication of the extent to which those prices can now be controlled by the dozen or so marketing organizations which control the major volume of food distributed in this country. If there is any doubt about that let me draw the attention of the house to the recent analysis in the *Financial Times* of October 16, with respect to Steinberg's. The sales of that company in 1959 amounted to \$178 million but in 1968 they will amount to \$490 million. This story may be duplicated for other companies, including Loeb's which controls Allied and I.G.A., the gigantic Weston interests which control Loblaws and a number of other food chains.

The independent grocer, the fellow in the corner store, has been eliminated. He does not count in this network of corporations controlled by giants. His interests and hands are tied. A few major chains are now in a position to exercise monopoly control in the hunt for profits. The hunt for profits is always a legitimate exercise of corporate enterprise, but a hunt for exorbitant and inordinately high profits is not. I am sure the minister is aware of this and I expect that the government wishes to come to grips with this problem.

This bill will not do that. This government, I suggest, is aiding and abetting the monopolies by creating a featureless facade such as this department. I do not refer to the minister when I speak of a featureless façade. If I may coin a word, the minister is only too featurable. How much more glamorous is the title "minister of corporate and consumer affairs". After all, who is the Registrar General? Yet the minister speaks of misleading advertising.

**Some hon. Members:** Oh, oh.

**Mr. Nielsen:** One has only to look at the name of the new department and one has the feeling that we are on the brink of action—in

capital letters with exclamation marks—and are about to come to real grips with the problem of the high cost of food and other consumer products. Where in the bill is there any indication that there is to be this kind of action? No action is being taken by the government.

The Minister of Finance sits pat in the face of the increasing demands of his colleagues. Another demand is now being made. The titans of monopoly will laugh at the Minister of Finance and at the friendly persuasion he will try to employ. He has asked us to believe that friendly persuasion will work. There are to be no guide lines. Everybody else has spoken of guide lines and we were left with the impression that guide lines were to be tried, but there are to be none. The government is going to try to persuade everybody in a friendly fashion to toe the line. That is all the minister can do under this bill. He can cajole, threaten and persuade, but he cannot enforce. The legislation has no teeth.

Hearing the minister speak about the enforcement provisions of the Canada Corporations Act and the Bankruptcy Act left me a little cynical, to say the least, as I know that in both pieces of legislation certain sections are not being enforced.

**Mr. Woolliams:** A lot of bull was spoken.

**Mr. Nielsen:** Certain sections have not been enforced. Despite representations by dozens and dozens of creditors, no action is being taken with respect to the enforcement provisions of the Bankruptcy Act. Under those provisions of the act the creditors are consumers. If that is the kind of action the minister contemplates taking under this bill, then I am afraid the consumer will not benefit much. The consumer will not see much action.

Had the bill been drafted by the operators of the big chain stores and the marketing organizations it could not have suited them better. It promises almost everything but does nothing.

Referring again to the *Financial Times*, it is interesting to note that the profits of the Steinberg corporation were reduced this year because of the expenses incurred in eliminating trading stamps, starting new Miracle Mart stores, and because of consumer boycotts. The prices that went down after the consumer boycott are now going up. What is the government going to do about this? What will this government do once this bill becomes law? Will it encourage boycotts?