

Interim Supply

Canadian consumers association and then, of course, the minister went on to explain that he had received such a request, and here is the part of his reply which is significant. In giving the reason why the government was not prepared to take any action he said:

No court in Canada has held that this present law against trading stamps is either invalid or unenforceable. Indeed, there cannot be such a decision until there is an unsuccessful prosecution under the law. Pending such a prosecution we do not wish to ask parliament to amend the law until we shall have been informed in what respect the courts consider it to be invalid or unenforceable, that is until we know in what respect it should be amended.

Well now those are a lot of words which boil down to simply one thing which is that the government is not prepared to do anything, because the Canadian association of consumers had already taken up this matter, had tried to lay the information and initiate a prosecution under the Criminal Code with reference to trading stamps in the province of Ontario and had been told by the attorney general of that province that as the law now stands there was a loophole so great in it that no self-respecting prosecutor would even attempt to pin down a prosecution on it.

Mrs. Shipley: Would the hon. gentleman be kind enough to tell the house what that loophole is; I have been trying to find out and would he mind telling me.

Mr. Zaplitny: Well, Mr. Chairman, I do not have the act before me at the moment but if the hon. member will only look back at the circular letter sent out by the association of consumers that section of the act is quoted. There is reference therein to that part of the section which they find weak and which the attorney general has described as a loophole. I am not in a position, in view of the fact that I do not have the statute before me, to spell out the exact terms of that act.

Mrs. Shipley: Would the hon. member permit another question. Having just read the act as quoted by the Minister of Justice and having read the article to which he refers and in which I cannot find any loophole, would my hon. friend tell us again what loophole he is talking about?

Mr. Zaplitny: I do not know if the hon. member is setting herself up as a legal authority—

Mrs. Shipley: No, I am not.

Mr. Zaplitny:—greater than that of the attorney general of Ontario; if she is then I will leave it to her to find out. I am not taking sides in that scrap.

Mrs. Shipley: You are talking about a loophole.

[Mr. Zaplitny.]

Mr. Zaplitny: I am just pointing out a statement made by the Canadian association of consumers as a result of the information they had received from the attorney general of Ontario. Now I think this suggestion may be satisfactory to the hon. member for Timiskaming: If the Minister of Justice is of the opinion that the statute, as it now stands, is adequate there is nothing to prevent the government from initiating a test case. All that would be necessary to do would be to lay the information and have the matter taken to court, but apparently the government is not prepared to do anything.

This business of trading stamps and other gimmicks is being promoted chiefly by United States advertising agents who come to Canada to pick up some ready cash and this sort of thing is definitely going on. I have a letter before me dated April 9 from a Mr. H. Thomas addressed to the Minister of Justice. I am not going to read the whole of the letter but I would like to point out, for the satisfaction of the hon. member who raised this question, that the situation is serious and something should be done about it. The writer of this letter says:

I have had handed over to me a copy of the House of Commons debates (*Hansard*) for Monday, April 1st, in which I observe that Mr. F. S. Zaplitny (Dauphin) strongly recommends the appointment of a royal commission to investigate retail practices of large corporations.

The appointment of this commission is long overdue with conditions now becoming unbearable. I have in mind the competition of the Loblaw Groceries in which they featured an automobile very very prominently. The contest went on for 24 weeks, June 1956 to January 1957. This car has never been handed out and bitter complaints appear in the Toronto papers from time to time.

In view of the shortage of time I will have to skip a couple of paragraphs, but to get down to the meat of the letter he points out that over that period, on the basis of offering this glittering car to the consuming public, they have insisted on a purchase before they give anyone a card to participate in this so-called draw, which is nothing but a big gamble. They have already handed out four million purchase cards; in other words they have had four million purchases and a conservative estimate for the balance of the time this draw is in existence, indicates that they will hand out another six million cards. Therefore they would have ten million purchases before someone eventually wins this car. This whole proposition is being run by the Cross-Out Advertising Company Incorporated of St. Louis, Missouri. It is certainly crossing out the small businessman.

These are the things, the trading stamps, giveaway ideas and all the rest of it, run by these huge monopolies who have the capital and the total production, distribution and