

hon. member for Nickel Belt. That particular amendment was rejected by the committee, and in my view rightly so, because it fell far short of meeting the conditions that most of us strongly support for the principle of class action. The hon. member provided a service to the committee by moving his amendment because it gave an opportunity to address ourselves to the problem and to put on the record the views of the minister, views which had been expressed on a number of occasions in speeches across the country.

The amendment we now have from the same hon. member does not really go much further in alleviating some of the fears of the committee. We are dealing with a very complex bill and the fact that it has been around in its present form for a long time does not change that. The bill is only stage one, the first phase of the government's competition policy. In addition to the expectation of phase two, which the minister tells us is on the way and assures us will be ready within a year, we now have a royal commission. This royal commission is the first to be appointed by this government to look into the affairs of mergers, monopolies, concentrations of business and competition.

I think this parliament would be ill-advised and hasty if it were drawn into an amendment on class actions before it had an opportunity to see the full package of the government's competition policy which will be embodied in phase two, whenever it emerges. It will also have a direct relationship to the report of the royal commission when that comes out.

When this amendment was before the committee, the minister expressed his agreement with the principle of class actions and said that he was not satisfied with the experience of other jurisdictions. He referred specifically to the jurisdiction of the United States, although I personally find that of questionable value. He said:

I am not totally satisfied with the U.S. experiment and I have asked officials in my department to act actively on this. There is study taking place at present in my department by some officials and they are looking at all the aspects of the class action. It is a very complex issue and it will require very careful drafting and very serious consideration before we go to it.

I am prepared to accept that and I am prepared to accept the minister's word that he has the matter under consideration. There are other statutes which afford consumer protection and recourse to the courts which will have to be amended. I think, for example, of the Weights and Measures Act and the laws covering packaging and labelling. There would be a whole series of concomitant amendments to other statutes if we were to embody the principle of this amendment in the legislation before us. In the interests of good legislation I think it is necessary for us to think this thing through very carefully and not allow ourselves to be rushed into it.

I commend the hon. member for Nickel Belt for feeling so strongly on the subject—some of us feel just as strongly—but I would remind him that if his colleagues had supported the proposition as enthusiastically as he, perhaps we might have had action in the last parliament when this party was in a strong position to influence government policy. The fact is that they did not choose to proceed at that time.

### *Combines Investigation Act*

In Canada we only have the experience of the province of Saskatchewan to go on. That has been of short duration, so we must look to the United States. The hon. member gave two examples. The first one strongly supported his argument—an argument that I myself advanced in committee. He quoted the case of the Firenza automobile and the fact that many hundreds of Canadians who bought this automobile were not able to take on General Motors on an individual basis. The Firenza case is probably the strongest and most compelling argument there is for class actions.

The other argument is how to protect against harassment, frivolous and irresponsible actions or unscrupulous lawyers taking advantage of the situation in order to get fat fees. I do not think it is enough to borrow from the experience of Saskatchewan.

● (1630)

The hon. member's proposed amendment would make it incumbent on the Attorney General of Canada to vet all class actions before they could be heard by the courts. I suggest that this could involve all kinds of difficulties. It would require the establishment of a substantial new bureaucracy to assist the attorney general in that complicated task.

Let us look for a moment at the U.S. experience. The hon. member referred to the Firenza case as a strong argument in support of his amendment. Then he referred to the case of the *Mayaguez*. The ship's crew are suing the captain, literally for making a mistake in navigation. Surely no one would suggest that the captain of the ship deliberately charted his course so that the vessel would enter waters under the jurisdiction of a belligerent. There one sees an example of harassment. That action, to say the least, is frivolous and irresponsible. We must be careful to guard against situations like that.

We must not allow ourselves to rush into acceptance of this amendment. This bill despite all its faults and its positive aspects—and there are many positive aspects—is only a small part of the government's competition policy. We must remember the work of the royal commission to which I already referred.

The minister promised to introduce phase two within one year. We intend, while waiting for that bill to be introduced, to hold the minister accountable to the House and to the country for the undertaking he made in committee and in speeches across the country. He says that he has this under study, that he sympathizes with the rights of consumers as groups to take class action, that they are entitled to the protection of the law and that he hopes to bring in an amended or new, comprehensive statute which will cover all federal statutes, including the bill now before the House. He hopes that it will be effective in providing direct protection to the consumer and that we can avoid a judicial nightmare, evidence of which one can see in the United States. They are trying to extricate themselves from that situation south of the border.

We commend the hon. member for Nickel Belt for raising this issue; he has done the House a great service. But we do not feel we should rush into acceptance of his amendment. The amendment was hastily conceived by the NDP and brought forward with great sincerity by the hon.