

*Combines Investigation Act*

once this afternoon, and I was prompted to rise at this particular time because the hon. member for Skeena alleged in his statements that the Combines Investigation Act was not a suitable place in which to include this particular amendment.

I have done a great deal of study on the particular matter concerning exports. I feel very strongly about it; I feel that this amendment is a tremendous contribution toward the economic policy of Canada and toward keeping Canada one of the world's first export nations. Because of the remarks made by the hon. member for Skeena I feel it is important to set the record straight. Unfortunately my hon. friends in the opposition seem to feel that if there is anything said that is critical of the attitude taken by them then closure should be applied and we are not entitled to set forth our points of view and refute the statements that have been made.

I rose because the hon. member for Skeena made this particular allegation, and when I was contemplating the question of exports I thought it should be clear to the committee that the problem was raised with regard to the inquiry into the fish industry. I think the difficulty with regard to exports and the very reasonable difficulty in the minds of most people in the fisheries, forestry and other industries, who presented their briefs before the committee, was in the reference made by the combines director, and this is found on page 311 of the banking and commerce committee report. I have the summary here, which is referred to, and this is what it says:

It is my further allegation that during the period from August 1954 to June 1956 the following were parties to agreements or arrangements relating to the export market which had the effect of enhancing prices or otherwise preventing or lessening competition in the production, supply and sale of Canadian salmon for the domestic market to the detriment, or against the interest of the public, and during the same period agreed or arranged to prevent or lessen unduly competition in such products.

This was the particular matter which brought forth the doubts as to the question of the export trade. Up until the time this particular statement had been made it was the opinion of the majority of lawyers, generally speaking, that the Combines Investigation Act did not apply to exports. When this allegation was made in the fish inquiry some doubt was cast on the particular situation, and to indicate clearly what the doubt was I think further reference should be made to the committee reports.

Mr. Hyland, who was the director of the fisheries council of Canada, and who testified before the committee, said, as reported at page 269:

[Mr. Drysdale.]

Our industry has been investigated, and we are in receipt of a statement of evidence and allegations from the director of investigations which alleges that our activities in export marketing have had an influence on domestic prices. Therefore, we are in violation of the act. It is for that reason that we are particularly concerned about the question.

Further on, on the same page, Mr. Hyland states:

It was clearly stated that our activities in export marketing and the fact that we did arrive at common policies, common prices for our export quantities of canned salmon, had the effect of enhancing domestic prices and therefore we were in violation of the act.

On page 278, Mr. Hyland states:

We are already suspect now. It has been alleged that what we have done in the export field has had a detrimental effect on the Canadian public, and we feel that this is an effective and a successful way of marketing our product, and we do not want to continue doing it under a cloud. Therefore, that is why we are suggesting that the new act should make it clear that activities of this kind are not in contravention of the act.

Mr. Hyland then went on to state further that this pattern of setting prices for the export industry had gone on for the last 60 years. He stated specifically on page 282, and I think it is of some help to the committee that the questions and answers be put on the record:

Mr. Horner (Acadia): Is there any competition in setting the export price between the four or five large companies or do they all sell at the same price?

Mr. Hyland: The whole objective of the export fisheries committee is to arrive at uniform export prices.

Mr. Horner (Acadia): Have you always been able to do it?

Mr. Hyland: It has been the pattern in the industry in the last 60 years.

Mr. Macdonnell: No question has been raised?

Mr. Hyland: No question has been raised.

Mr. Hyland also pointed out at page 284 that the export price tends to influence the domestic price. Among the reasons for the industry approach to the export market rather than by individual canner approach was the reason that it is necessary to enable the canned salmon industry to compete successfully in the export markets with other canned salmon producing nations. Another reason given by Mr. Hyland at page 287 is as follows:

My experience in the marketing of canned salmon leads to the conclusion that the domestic price of any commodity which is exported in material quantity cannot be isolated from the world price. This is true whether the commodity is fish, lumber, pulp, copper, aluminum or newsprint.

These statements were made by somebody who was involved in the fish inquiries and in summary it was his opinion that the export trade was completely fair. Some doubt