

*Competition Bill*

such reserves and to invest billions of dollars in them. These large financial institutions have all the powers and they use them at the expense of Canadians and for their own benefit.

The government itself earmarks hundreds of million dollars to assist various foreign companies, and when the Canadian people are in need, they have a very hard time getting small loans. One can apply to the Industrial Development bank, but it imposes all kinds of restrictions, which makes it extremely difficult to get credit. It provides funds only to large institutions without taking any notice of small ones, when it should help all institutions and at very low interest rates. And yet, the Industrial Development Bank is in collusion with all the large finance companies to maintain high interest rates across the board. In this way, they avoid competing with one another and exploit the Canadian people shamelessly. That is where we should concentrate our efforts, that is where the minister should do something, that is where the minister should intervene. However, he does not intervene in the field of finance, but he does intervene in other areas. As for the finance area he does not talk about it.

● (1520)

Mr. Speaker, I would like to quote from a speech reported in *Hansard* for Wednesday, March 13, 1974, by the hon. member for St. Paul's (Mr. Atkey). I congratulate him because I read over his speech that I find extraordinary and very appropriate. The hon. member said:

So, in the proposals, recommendations, suggestions that we make on various bills introduced in the House, we advocate an economic system based on private enterprise and not on free enterprise or, in other words, monopolies.

Through this bill, the minister meant to put teeth in the Combines Investigation Act. He has incorporated into this bill some positive political measures, but such measures without the adoption of positive economic measures at the same time does not solve anything at all.

That man has been supporting us for a long time and he understands what business means. He is a man who really knows what it is all about. I continue:

If we pass positive political measures which are not supported by economic measures enabling individuals to compete against monopolies, we will remain in the clutches of monopolies, mergers and combines, which will have to pay fines, but according to the figures quoted today, less than 1 per cent of the profits made by monopolies have been subjected to a fine.

The measures that the minister has included in this bill deal especially with the small businessmen who will be subject to this bill like anybody else, but they will have no effect on the multinational companies.

How can this bill bring about a change? What can Bill C-7 do against multinational companies which are now increasing overnight all prices at the same time, invoking the false pretext of the oil and gas shortage? Under such a bill, the minister cannot act against the multinational companies which hold sway over our economy. The only thing he can do is to fine them \$2,000 or \$5,000, a ridiculous amount for them which is tax deductible.

What shocked me about this bill, Mr. Speaker, is to note that the government is trying to punish and restrain everybody. However, at the same time, banks are given special privileges.

Mr. Speaker, I admire that man because he knows what business means, where the economic unrest is, where to go, where to knock to improve our economic system. I continue:

[Mr. Latulippe.]

Mr. Speaker, as we have always said, the banks are the basis of the existing monopoly which controls the others. According to its whim, the monopoly of money and credit can create a monopoly of production or destroy it. And when I hear people who strongly denounce monopolies, and rightly so, in such and such a sector of industry, and yet, refrain from attacking the very monopoly which creates all the others, I feel they fall short of the target. They go only after the small fry, overlooking the villain who will go on with his dirty work.

Mr. Speaker, that is what the hon. member for St. Paul's had to say in his speech. However, we have been talking about that for a long time and we never felt any support in this House. We are just starting to find support because generally speaking several members are beginning to open their eyes, to realize that we can no longer run this country in the situation in which we find ourselves today.

Reforms are a must, Mr. Speaker, but not in the industrial sector, in the research area or about citizens who do not want to work anymore. The reform must be made in the area of finance. Finance must be brought to the service of companies and citizens who want to do something. They will be allowed a certain profit margin so that they can go on growing, improving and developing. If all their profits are taken away from them, nothing will remain. Then nobody is encouraged and everybody is discouraged. They do not want to launch any more into institutions, developments which several people could do because they have the necessary expertise but knowing that they will not be able to succeed, they do not undertake them.

This is where the difficulty lies, Mr. Speaker. This is where the minister should step in. He should study this situation thoroughly and help us find the true solutions. These are easy to find because it is a matter of making credit available to those who need it at reasonable interest rates, in order to prevent price increases, because high interest rates push prices upwards.

With the present system, with inflation, with everything we are presently experiencing, the first cause and the first reason of the difficulty are interest rates which are too high and governments who have nothing to say on the matter. Nobody criticizes the increase in interest rates in general at least, not the ministers, not the right hon. Prime Minister (Mr. Trudeau). Nobody speaks up when financial companies increase their interest rates. It seems as if they were given a blessing. Not a word is uttered, Mr. Speaker.

This is the first cause of the economic unrest we are experiencing. The increase in the cost of living is due mainly to the increase in the exorbitant interest rates charged to Canadian citizens.

I would like to quote from a document:

It is difficult to appraise the importance of foreign control on these international operations and on the balance of payments. In spite of the size of the operations concerned, the industry's adjustments relating to the balance of payments do not seem to depend much on the owners' nationality. In view of the role played by direct investments in this area, the general trend of the balance of payments, account being taken of the time factor, could have been quite different without these investments.

The results of this foreign control are not limited to the economic sector and the industry; it is to be feared that the extent of this control might hinder the setting of priorities and the environmental action of Canada.

Mr. Speaker, if the existing system had not allowed foreign companies to settle in Canada and develop our natural resources, our situation would be even worse.