simplicity or ease in following the legislation and for uniformity in these matters it would be my thought that this is what should occur. I expressed these views when the hon. member for Ottawa West moved his amendment. I said then that the two matters should be separated and that reference to the effect should not be contained in the definition part. I intend to deal with that in another way in just a moment.

However, there is a question in this regard which I should like to pose to the minister and I shall precede it by quoting a part of the brief submitted by Dr. Skeoch. I am reading from page 433 of the proceedings and evidence of the banking and commerce committee, No. 7:

> Mergers and Monopolies
>
> There are two basic questions about those parts of section 1 of Bill C-58 which define "merger" and "monopoly". The first is why, since a "merger" could very well result in a "monopoly" as defined in the bill, the test to be applied to each should not be the same. They can both be manifestations of "undue" market power and both should be judged on the same general criteria. It is not clear what are intended to be the differences between the tests provided under the proposed amendments but there is no basis in economic analysis, at least, for making any difference.

Unfortunately, perhaps this is a question which should have been posed to Dr. Skeoch, inasmuch as it was his presentation to the committee. I failed to perform that duty of posing the question to Dr. Skeoch and to ask him to expand upon this and to explain in some detail which differences in definition or which differences in criteria he was referring to. I know the minister has followed the proceedings assiduously and carefully. I wonder whether he had directed his thoughts to the suggestion of Dr. Skeoch and whether he has any thoughts to express as to the suggestion of Dr. Skeoch that two different criteria exist by which he would judge a merger on one set of circumstances and a monopoly on another? Perhaps at this stage the minister can indicate whether there is any validity in the suggestion contained in Dr. Skeoch's presentation?

Mr. Fulton: Mr. Chairman, of course, the reason for the difference in the definition is that a merger contemplates an arrangement to be brought about in the future by which at least two persons in competition at the present time merge and therefore cease to be competitors. Therefore, the test there, the operative words in the definition, rather, refer to the acquisition of one by the other whereby competition is lessened to the detriment of the public.

On the other hand, a monopoly by its very nature is an existing situation and by definition it is a situation in which one person or company substantially or completely controls the class or species of business in which he is or they are engaged. That is an existing situation. There is no competition and therefore the test has to be the question of whether or not they operate such business in a manner which is to the detriment or against the interest of the public. Because of the different nature of the two problems there have to be different criteria of damage.

Mr. Howard: I take it that Dr. Skeoch's suggestion has no validity; it is not a valid criticism or suggestion. That is what I understand the minister to say?

Mr. Fulton: Dr. Skeoch is an experienced and highly qualified man, and the fact that I do not accept his criticisms does not mean that I have less respect for his qualifications. I think it is correct to say I do not accept his criticisms here.

Mr. Howard: Perhaps it was my error in not posing the question to Dr. Skeoch when he was here. I have somewhat the same thoughts. The minister is far more knowledgeable in this field than I am and may have approached the matter in a different way from what I have. That is why I pose the question to the minister. Perhaps this may be implied within the definition of merger, although it is specifically mentioned in the definition of monopoly. In the definition of monopoly reference is made to "throughout Canada or any area thereof"; whereas in the definition of merger there is no reference to "throughout Canada or any area thereof" although I would say it is probably implicit or implied in the definition itself. Perhaps the minister would indicate why the reference "throughout Canada or any area thereof" is contained in the definition of monopoly but not contained or perhaps needed or required in the definition of merger?

Mr. Fulton: It would hardly be necessary, for much the same reason that I gave in outlining the reason for the difference in the test of damage in the one case as against the other. A merger which eliminates competition to the detriment of the public is an offence wherever and whenever it is committed. On the other hand, a monopoly may be a monopoly covering the whole of Canada or covering only one area of Canada. Therefore it is necessary to say what you mean by a monopoly. Otherwise somebody might come along and say that as it does not cover the whole of Canada it cannot properly be called a monopoly.

Mr. Howard: I submit that is a sensible view to take of the matter. A monopoly can exist within a municipality if there are no other competing elements in the immediate