

*Competition Tribunal Act*

● (1600)

[English]

**Mr. Ray Skelly (Comox—Powell River):** Mr. Speaker, I am pleased to support my colleague, the Hon. Member for Windsor—Walkerville (Mr. McCurdy), in his attempt to have the Government reconsider its position on this legislation by delaying second reading for six months.

The Government has failed in its effort to address the issue of competition in a fair and equitable manner. Instead, it has introduced a Bill which it believes will improve the opportunities of consumers and effectively deal with business concentration in this country. However, the fact is that the Bill is hopelessly inadequate. The Government is extremely negligent when it puts forward a Bill that will not protect Canadians from the effects of corporate concentration in this country.

When one considers the harm that will come to consumers, small and medium sized businesses, I am amazed that here has not been a great movement by that business sector to tell the Government that it has betrayed them.

The Conservative Party of Canada has stood up for many years to say that they represent small business and that spirit of independence and driving force which has made the economy in all parts of this country work. It is that sector which hires the largest number of people and services all the communities in this land. The Conservative Party has falsely stood up to say that it supports small business and will protect and nurture that sector of the economy. This Bill is a betrayal of that position. The Government had a responsibility to introduce effective competition legislation, yet this Bill is misleading and simply ineffective.

The previous Government failed hopelessly in addressing this question. It shackled small business with many constraints. It allowed the chartered banks to charge enormous interest rates that essentially destroyed many small businesses in this country and wiped out the investments of thousands of people who had invested their savings in small business. They worked hard, only to have the previous Government completely destroy the initiative and wipe out their investment and the services they provided throughout the country. That destruction of small business took place because of a lack of any effective competition legislation.

The Conservatives told small business how they would assist them, yet this Bill represents the single largest failure by the Government to protect small business.

What is the purpose of competition legislation? It is to address the question of whether a sector of the economy should be controlled by three or four large players who determine the sourcing of raw material, the sourcing of supplies to that sector, produces the bulk of the material within that sector and determines who will distribute and supply it in the communities. The fact is that many of our sectors of the economy are controlled by three or four powerful giants. Furthermore, they do not compete with each other but divide the country into

market shares and determine which small and medium sized businesses can participate in the economy. They begin to informally fix prices, determine supply and essentially decide which businesses will be allowed to participate and thereby essentially drive out other businesses.

We need fair and strong competition legislation that will protect small businesses and guarantee that the market-place is indeed free and open to participation. This extremely weak piece of legislation will not accomplish any of those goals but will ensure that concentration continues and that an increasing number of small businesses will be driven out in favour of one large business within a sector.

The role of the chartered banks in controlling the economy has been pointed out today. As well, we have heard what major oil companies have done to squeeze out small distributors and the difficulties they have had in obtaining supplies and setting proper prices in their communities. Those smaller suppliers have asked Members of Parliament for improvements, but the louder voices have suppressed those requests.

The Conservatives made the same mistake as the previous Liberal Government. They have left the small business sector to hang out to dry.

It has also been mentioned that the publishing sector is in the same dilemma. Every year an increasing number of independent small newspapers fall to the newspaper chains. Ultimately the single thought of a single owner will be conveyed to hundreds of communities and the quality of news that appears will be reduced. Indeed, the Kent Commission pointed out that there were some very severe problems with concentration in that sector. Those concerns were ignored. At that time Conservative Members of the House chose to sensationalize it. They suggested that there were tremendous anti-democratic manoeuvres at work and that the results of the commission had to be deeply buried.

● (1610)

In fact, there were some extremely good ideas which came out of the Kent Commission. These ideas would have seen a large number of publications fostered in a community, providing an opportunity for different ideas which true working democracies bring out. However, the Government refuses to acknowledge that type of thing, at least with this legislation. It refuses to fulfil a responsibility to protect an independent and flourishing small business sector. Instead, its protection has been extended to the majors in each sector; to the large oil companies, to the large chartered banks and to the large two or three firms working within each economic sector.

The House has been given an opportunity today to suspend this Bill for six months while we see developed a stronger piece of legislation. I am certain other of my colleagues will want to share their opinions on this matter. It is my sincere hope that it will be suspended. This would give the Government an opportunity to fulfil its responsibilities to the small business