

purchasers on equal terms and where alternative import sources of supply would lessen the danger of monopolistic growth.

On June 27, 1950 the government appointed the MacQuarrie Committee to study combines legislation. While it was asked to inquire into various matters concerning the general subject of combines legislation, the specific question of resale price maintenance was part of the problem. In the letters and notices sent out by the committee to interested persons, attention was specifically directed to the question of resale price maintenance, and also to the recommendations and comments contained in the various volumes of the report of the Royal Commission on Prices.

This committee submitted an interim report as of October 1, 1951. At page 21 of that interim report, the committee expressed itself on the question of resale price maintenance as follows:

The committee has studied resale price maintenance in the light of the two standards of judgment originally set up, namely, the desirability of a free economy and the need for economic efficiency. This study has led the committee to the general conclusion that resale price maintenance, on the growing scale now practised, is not justified by either of these standards. It represents a real and undesirable restriction on competition by private agreement or "law" and its general tendency is to discourage economic efficiency. That is why, in our opinion, the prescription and the enforcement of minimum resale prices must be viewed as manifestations of a restrictive or monopolistic practice which does not promote general welfare.

The Speech from the Throne at the opening of parliament foreshadowed legislation in connection with this matter. When the session opened, the report of the MacQuarrie Committee, together with a draft bill containing what in the opinion of the Department of Justice would be necessary if the joint committee felt that it should report favourably on the recommendations contained in the report, were referred to a joint committee of the Senate and the House of Commons. This committee reported to the two houses of parliament; a bill was presented to the House of Commons and passed; and now, in the ordinary course of procedure, it has reached us.

The circumstances surrounding the arrival here of this legislation as has so often been the case in the past do not contribute to or facilitate the detailed consideration we would like to give it. I am bound however to point out two things in connection with this phase of the question. The first is that, with the possible exception of the old age security legislation, no measure that has reached us in recent years, certainly since I have been government leader, has been so thoroughly considered within and without parliament as this has been—first, by a select committee of the House of Commons, in 1948; by two committees of inquiry, extending through

1949, 1950 and 1951; by a joint committee of the Senate and the House of Commons, in recent weeks; and then by the House of Commons. In the light of these facts, and since honourable members of this house have closely followed these discussions, I have no doubt that every senator has even now arrived at pretty definite conclusions. Nevertheless, despite these facts, I as government leader will welcome and facilitate whatever additional consideration this house may wish to give to this important question, because, in the final analysis, it is through our action that parliament decides whether or not it approves of the underlying principle of resale price maintenance.

In common with other members of this house I have endeavoured to keep abreast of relevant discussion. I have studied the recommendations of the two committees of inquiry. I have sought, perhaps not ineffectually, to wade through the briefs and the mass of statistics presented to the joint committee, as well as the arguments and counter-arguments in the House of Commons. I have been inundated with telegrams and letters from those who are concerned lest anything be done to interfere with the growing practice of retail price maintenance.

I have noticed with the greatest interest the argument that, since manufacturers enjoy the benefits of tariff protection limiting competition from without our borders, and the agricultural community have succeeded in having minimum prices for their products established by parliament, the distributing trades, and particularly retailers, should be permitted to enjoy the protection from competition which retail price maintenance might reasonably be expected to afford. As one who spent his whole business life as a retailer I am bound to admit that when the argument for retail price maintenance is put on that basis it is in logic difficult for me to resist it. In effect its advocates say this: "Private competitive enterprise has disappeared as far as whole segments of our economy are concerned: why should the retailing section of our economic system alone be singled out to withstand the merciless winds of competition? Just as manufacturers, organized labour and agriculture have succeeded in limiting competition, we retailers should have the same right; parliament should not interfere with our plans".

I find it very difficult, honourable senators, to escape one conclusion, and that is that many of those engaged in the business of producing and distributing in this country have one great ambition in common, and that is a desire to escape from or minimize