advance notice a substantial period before that increase would go into effect, the result being that for the period of notice the prices in question are frozen, so that there is time for the authorities to see whether the proposed increase might be contrary to the legislation and guidelines. However, there is in fact a clause in the bill before us which, in my view, could be used by the Anti-Inflation Board as authority to require firms to give notice before they increase prices. This is clause 13(2) which says, in effect, that the board can publish a notice in the Canada Gazette requiring all firms or individuals to which it is directed to provide it with certain information.

However, I can see why some speakers feel that the pre-notification provisions found in the anti-profiteering bill are absent from Bill C-73. The language in clause 13(2) is rather obscure. I think, therefore, the clause should be redrafted to follow the clearer and more precise wording of clause 51 of the anti-profiteering bill, to make certain that the board will be able to require a substantial period of advance notice during which prices cannot be increased without the assent of the board.

The anti-profiteering bill provided that the government would have the authority to bring its provisions into effect by declaration to apply to all the firms in the sector named in that declaration. While the application of Bill C-73 is not limited to specific economic sectors as set out in declarations or guidelines, it applies only to private sector employers of commodities and services of more than 500 employees. However, the situation in a particular sector of the economy may be such that a case can be made for applying guidelines and selective mandatory controls, if not to all firms in the sector then at least to firms with a specified number of employees, but fewer than 500. In fact, the guidelines already provide something like that for one case by indicating the rules will apply to all firms with 20 or more employees in the construction industry.

There may be some sectors in which most of the firms have less than 500 employees, and therefore the effect of the prices and incomes guidelines and the mandatory controls would be more limited for them than for other sectors. Or some sectors may be of such importance and significance that all, or most firms in them should be covered in any event.

Bill C-2, the stage one competition policy bill, though approved by this House has not yet been adopted by the Senate. It is still not certain when the second stage bill dealing with the key area of mergers and monopolies detrimental to the public interest will be presented to the House, much less fully approved by parliament. Therefore, the bills are not yet available to assist competitive forces to operate in the economy. As I have said, a whole sector of the economy may be made up primarily of smaller firms. Market imperfections may mean that smaller firms may not, in fact, always face competitive pressures from larger ones covered by the mandatory controls. I doubt if consumers always will be satisfied by an answer that compulsory aspects of the program cannot ever be applied even where a price clearly exceeds the guidelines, simply because the firm has less than 500 employees.

Also, should all firms with less than 500 employees always be able to increase their prices or wages above the guidelines whenever they believe they can do so in the light of the market and competitive situations they face, and because they are not subject to the mandatory controls? Therefore, I think there is room for consideration by the government as to whether it should use the authority of clause 3(2)(v) of the bill to extend the guidelines in some of the ways I have mentioned. If so, I think the government should give its views during the course of the debate. The anti-profiteering bill provided that a declaration applying it to a sector would be in effect for up to 18 months. Bill C-73 will apply for up to three years, initially: it can apply for a longer period with the approval of parliament.

It seems to me that there is an argument for a form of parliamentary review of its application through a special debate in the House or, preferably, through committee hearings once every 12 months. The act provides for a report by the administrator to be tabled in the House annually. I think a similar report by the Anti-Inflation Board, whose terms of reference cover a much wider area than that of the administrator, should also be required. Both such reports could be a suitable basis for an annual committee study of the operations of the act.

The anti-profiteering bill said it would be an offence to withhold goods from the market in order artificially to enhance their price. I can find no similar prohibition in Bill C-73. Its absence, I think, should be explained by the government. What about the procedure for enforcing the guidelines? At first glance, the procedure under the anti-profiteering bill appears to be somewhat simpler and more direct. Under it there is no board which first must try to get voluntary compliance before enforcement action can be taken.

Instead, the director of combines, or in fact a special deputy director, would have had the authority to launch an inquiry any time he had reason to believe there had been a breach of the act, or the act was about to be breached, or any time he had been directed to do so by the minister. He could then bring the matter before a commission. The commission, after affording the parties a reasonable opportunity to be heard, could make the same kind of order as is provided for in Bill C-73.

Bill C-73, however, says in effect that before compulsory enforcement action can be taken, the Anti-Inflation Board must seek voluntary compliance with the guidelines. Who can say how long that will take? There are no time limits provided for this step. If this procedure did not work, the board could then refer the matter to the administrator. The administrator cannot take action on his own initiative; the matter must first be referred to him by the Anti-Inflation Board or by the minister. However, once the matter is referred to him he has very wide powers to carry out an investigation to determine whether the guidelines have been contravened or are likely to be contravened. If this is his conclusion, he himself could issue an order that the unlawful conduct cease and the improper gains be paid back. Bill C-73 makes no provision for a hearing of any kind before such an order is issued.

● (1220)

I believe the administrator should have wide powers to carry out his investigations to determine the facts of the situation, especially so that corporate sleight-of-hand will