

*Interim Supply*

to counteract this trend, small business, the mainstay of free enterprise and effective competition, may be elbowed out of existence.

The situation is serious. Within the next five to 10 years, unless action is taken now, these large corporate retailers may well control the supply and price of all retail goods to all Canadians. We have seen similar developments in the automobile industry, and in the gasoline business.

Further on the letter had this to say:

The results of this inequality—

That is, the inequality between large corporations and small businesses.

—are clearly visible in every Canadian city today. The corporate or chain outlet has vast, new, expensive buildings, parking lots and equipment. The independent merchant is found in old buildings, and with out of date equipment.

He concludes the letter with this paragraph:

Canadian retailing is a 14 billion dollar a year industry—one of the nation's largest. It is too important—too basic to our needs and way of life—to be allowed to fall into the monopolistic control of three or four large corporations.

Can we count on your help to support legislation which will correct this situation and keep Canadian retailing free and independent?

I think the writer of that letter was a little optimistic when he asked hon. members of this house for their support for legislation which would correct the situation because I suppose he had in mind that the government was going to bring some legislation before this house in order to do that. Judging from the reply of the Prime Minister on April 1 and the complete lack of any action since that time apparently it is not the intention of the government to do anything about this situation.

I have made one proposal as to what could be done immediately, that a study be initiated now in order to be ready perhaps for the next parliament, but nothing has been done and nothing is being proposed. Since I raised that matter in the house I have received a certain amount of confirmation from other sources as to the seriousness of this situation. One of the sources is a letter dated April 8, 1957 written by one of the councillors of the city of Montreal by the name Valere Vachon who has quite a number of interesting things to say. I shall just pick out certain comments that are applicable to this question.

First of all he refers to the fact that the situation in Montreal is serious, in these words:

Such a situation is particularly bad in Montreal—

He is referring to this unfair competition which is developing between the large corporations and the small independent businesses. The letter continues:

—and the same abuse is spreading in the suburbs of Montreal and has already gained a foothold in Quebec city; the hardware, electric appliances and

[Mr. Zaplitny.]

retail furniture dealers are affected and in fact it threatens the very existence of the small and independent business.

Further down in his letter he refers to the fact that unless something is done it is his opinion that in a very short time 50 per cent of independent small businesses will close their doors. This is the opinion of a person who occupies a responsible position in Canada's largest city and who is in a position to know what is happening to the retail trade of our country.

I have done a little research along that line and came across a submission made to the Gordon commission on March 8, 1956 by a group of individuals whose names I shall list. The people in question are George E. Britnell, Vernon C. Fowke, Mabel F. Timlin and Kenneth A. H. Buckley, all of whom are members of the department of economic and political science of the University of Saskatchewan. I propose to read from their submission to the Gordon commission on the question of competition and monopoly.

Their submission, of course, dealt with the over-all philosophy of business, competition and monopoly and it is a rather significant submission because for many years members of the party with which I am associated have warned the small independent merchant that he is in the same danger as a result of the monopolistic tendencies of this economic system as is the farmer, the labourer or anyone else in this country.

I must say that in many cases the independent merchants did not readily agree with that idea. Through the process of a great deal of expensive propaganda which is being dished out by the bushel every day and even more so now by the huge corporations, the independent merchant had been sold on the idea that after all he is a sort of small brother capitalist of the big capitalists and therefore he is nearly in the same boat, and what is good for big business is good for small business. That concept was repeated again and again and drummed into the ears of the small merchants until he almost began to believe it. In a way they are almost in the same position, just like the fishermen and the fish are almost in the same position. When a fisherman goes out fishing it can be truthfully said that both he and the fish are in the fish business but usually the fish ends up in the frying pan of the fisherman rather than the reverse and that is exactly what is beginning to happen to small business. They are beginning to realize that the whole tendency of this monopoly system is for collectivism and in that respect it is almost a brother of communism because both are collectivist, both are materialistic, both are ruthless in