past, to make findings as to the existence of an agreement and the degree of control involved, but in addition, when the arrangement is related only to such things as the exchange of statistics, the defining of product standards and the other practices mentioned above, the courts will have to appraise the effects of such arrangements on prices, production, markets, distribution and the number of units in an industry, and find whether those practices have the result of lessening competition unduly in those respects.

When I turn to the evidence which was given in the committee, Mr. Chairman, I note that Professor Cohen, speaking on section 32 (2), as reported at page 556 of the minutes of proceedings, stated as follows:

> This proposes the most striking, or one of the most striking features of this bill, I could spend a great deal of time on it.

Further on he said:

> Year after year responsible leaders of industry have come forward, C.M.A., and others, and have put forward what certainly to them, and to many other people, seem responsible points of view. This legislation now, it seems to me, accepts the proposition that it is worth while to cast in terms of law these, what may be called, innocent areas of business co-operation and not merely to leave it to the courts to discover the innocence, but to give the courts specific guidance as to innocence. The best case that can be made for this, therefore—I will come to the other side of the point—but the best point that can be made for this very important policy change, is that it is already sufficiently imbedded in legal ideas about these matters to hold them licit, to hold them legal. Therefore, all we are doing is declaring what in fact is something which the courts would regard as legal.

On page 557 Mr. Cohen is reported as saying:

> So the section already is aware of the possibility that although businessmen may get together for purposes only of advertising, or only for information, or only on research, it may lead to fixing prices; it may lead to restrictions on production. At that point then the defences of subsection 2 will not operate.

Now let us consider some other evidence given on page 434 of report No. 7 by Dr. Skeoch, professor of economics of Queen's University. Speaking on section 32 he said:

> This is the basic section of the proposed legislation is so far as agreements restricting competition are concerned.

Further on he continues:

> This may merely reflect the character of the established jurisprudence, although, if this is the case, it is not clear why it was necessary to alter the legislation.

The professor had this to say, as may be found at page 435:

> If it is desired to maintain the same tests of restrictive agreements as are now in effect, the simplest and most direct means of doing so would be to omit subsections 2 and 3 from the proposed amendments. A somewhat similar result could be achieved by deleting everything after "unduly" in line 43 of page 6.

I think it is sufficiently established that these professors of economics and law seem to be of the same opinion that the opposition holds today. Again, I call the attention of the committee to the letter signed by Professor G. E. Britnell, head of the department of economics and political science of the University of Saskatchewan, which appears on page 15 of the appendix to the proceedings of the banking and commerce committee. Mr. Britnell has this to say in the second paragraph of the letter:

> The amendments to section 32 listing permissible forms of co-operation between companies are still subject to the dangers which we indicated in our submission. Furthermore, the amended bill is still likely to result in a significant weakening of the ban on resale price maintenance. Finally, our concluding suggestion that the application of the legislation to the service industries be examined have been completely ignored.

Then again, we might well consider the testimony given by Mr. Hannam, which can be found at page 594 of report No. 10:

> As far as we can see, the new section 32 in the bill is intended to make it clear that certain practices that are not detrimental to the public interest may be followed provided they are not accompanied by harmful effects. This section seems to us to create real dangers.

He goes on, then, to explain the danger. Thus we are not alone in thinking as we do. We share our opinions with an economist of recognized ability. We share them with a professor of law who knows perfectly well the background of legislation of this kind. He has made a profound study of all the matters which are the concern of this bill, and both he and other distinguished professional men have come to the same conclusion, namely that it would be a lot better to leave the legislation the way it was or to delete subsections 2 and 3 of section 32.

For these reasons we have to go along with the hon. member for Skeena in supporting the amendment. We think the minister should have second thoughts and recognize the weight of the important objections which have been brought up by almost everybody who has considered this question, and especially by those most concerned with the welfare of the consumer in Canada. By persisting in his present course he is granting to the manufacturers association exactly what they were trying to get in 1932 and have been trying to get ever since, namely to turn the law around and do exactly what the law now forbids.

I hope the minister will study this amendment very carefully and accept the fact that his new proposals have been condemned by people who have no political interest in the question, people who are interested in the subject as economists or as lawyers; and I must tell the hon. gentleman that if he does