

Combines Investigation Act

effect on our balance of payments of his action in cutting off shipping in Canadian ships to that area of the world. Clearly, he misunderstood the effect on our export trade to that area.

Mr. MacInnis: Would the hon. member permit a question? Now that the hon. member has had a further word to say on this matter would he indicate whether he disagrees with the remarks of his leader about a filibuster?

Mr. McIlraith: I agree wholly that an extraordinary position was taken by the government tonight. When this amendment was put forward for consideration this afternoon the minister took the position after fully explaining his stand on it, and the import of the amendment, that it should be dealt with then. That was his position at that time. No hon. member opposite rose to speak at that time.

An hon. Member: Answer the question.

Mr. McIlraith: Then tonight we had the spectacle of hon. members opposite rising in sequence to read excerpts from the committee evidence and later in my remarks I propose to continue that exercise so that hon. members opposite may be thoroughly enlightened as to what that evidence contained.

Since hon. members opposite chose to read excerpts from the evidence without entering into debate on their part, with the possible exception of the hon. member for Burnaby-Richmond who did include. I think, one sentence, or part of one sentence in his remarks. I may say that the hon. member for Parry Sound-Muskoka in his contribution read from the brief which the witness giving evidence read to the committee; that was the way he did it. I think it is highly desirable that all those hon. members opposite should know just what the evidence is on this subject, and since they are so interested I think it is highly desirable that they should hear more of it. Particularly is it desirable that they should hear that part of the evidence which was given by the Minister of Justice when he explained his reasons for not proceeding with the suggested amendment on export at that time. I therefore propose to read, among other excerpts from the evidence, this passage which will be found at page 694 of the proceedings of the banking and commerce committee near the bottom of the page:

Mr. Thomas: Mr. Chairman, there were two suggestions made by the British Columbia forest products group. They wanted to have the words "within Canada" placed after the word "unduly" in the bottom line on page 6. That would make it read: or is likely to lessen competition unduly within Canada. This group pointed out that due to the competition in foreign trade, it might be

[Mr. McIlraith.]

in the national interest for the various corporations producing plywood and other lumber products in Canada to form a combination for the purposes of competing in foreign trade.

Mr. Fulton: Yes.

Mr. Thomas: Therefore they thought the words "within Canada" should be placed after the word "unduly".

Mr. Fulton: Yes, I think their proposal with regard to subclause (3) related also and was ancillary to the proposal for the insertion of another subclause in (2).

Mr. McIlraith: That is right.

Mr. Fulton: They submitted that this would have the effect of creating a defence if the agreement related to export trade. That was the effect of it. Their actual submission was that there should be inserted in subclause (2):

"the allocation of markets and the creation of uniform prices and terms of sale in export trade to better facilitate the competitive position of articles exported from Canada against foreign competition."

The minister went on to say:

This might be an appropriate place to deal with the questions of the submissions that were made that some amendments should be made to take account of the situation of companies engaged in export trade. We have given careful consideration to that both before and after we received these submissions. In this field of combinations—and I am referring now to section 32—we felt that if there was a real difficulty in holding out any umbrella, the difficulty would be that, in giving them any umbrella at all, you could not isolate the protection that that umbrella gave to the export field alone. I have not yet seen any way in which you can allow them to carry on activities which would otherwise be an illegal combination and say that the effects of that will be isolated in the export field, and that it will not spill over and have an effect on the domestic field. That is the first difficulty which I have seen with respect to putting in such a provision.

The second reason why we have not felt it appropriate to put in such a provision is that we have a case now before the restrictive trade practices commission, to which reference was made in the submissions, in Vancouver. It is, so far as I know, the first such case in which an inquiry is now under way as a result of allegations having been made with respect to activities which were primarily directed to the export field. I only mention that here because it has already been mentioned and referred to specifically. I refer, of course, to the fisheries case. We do not normally confirm or deny that inquiries are proceeding. We have this case, which is now before the commission, and it would seem to me to be premature for me to be suggesting legislation which is going to have very far reaching effects. As I have said, I was just concerned as to whether I could isolate the export field from the domestic section. I would think it premature to introduce that legislation when such a case is before the commission. And the commission, in its consideration, will, I am sure—and I speak now without consultation with the commission, because I think this is one area where it would be improper for me to consult with them because they are an independent body—I am certain that the commission, in its reviews and reports, will address itself to this very question we are now discussing and that is, whether arrangements having the design of facilitating or improving the position of Canadian companies in export markets can be carried on without having a possibly disadvantageous effect on the consumer