

CABINET CONCLUSIONS, OCTOBER 5TH, 1951EXTENDED RECORDSPEECH FROM THE THRONE; OPENING OF SPECIAL SESSION

The Prime Minister, referring to discussion at the meeting of October 3rd, 1951, submitted and read a redraft of the Speech from the Throne for the opening of the forthcoming special session of Parliament.

Mr. St-Laurent drew particular attention to the paragraph in the Speech referring to measures adopted by the government to combat inflation and to the interim report submitted by the Special Committee appointed during the Summer of 1950 to consider and report on the general adequacy of the anti-combine legislation. The Speech, as presently drafted, indicated that the government would, during the course of the special session, introduce legislation to implement the committee's recommendations in respect of the fixing of resale prices by agreement between suppliers and distributors. The present combines legislation prohibited price fixing by agreement between a group of producers or a group of wholesalers or a group of retailers, but there was some doubt that the legislation, as presently enacted, prohibited such price fixing by arrangement between producers and wholesalers or between wholesalers and retailers.

The Minister of Justice reported that the Combines Committee, consisting of the Honourable Mr. Justice J. H. MacQuarrie and Messrs. W. A. McIntosh, G. F. Curtis and Maurice Lamontagne, had submitted, recently, an interim report on the fixing of resale prices. The Committee had recommended that the legislation be amended to prohibit the fixing of resale prices by arrangement between producer and wholesaler or between wholesaler and retailer.

A draft bill to implement this recommendation was submitted and read.

The Minister of National Health and Welfare felt the government might approve these recommendations after having had an opportunity to review carefully the reports submitted by the committee, but, because of the great importance of this question, it would seem inadvisable to reach any hasty decision before ministers had had an opportunity to consider carefully the arguments for and against the committee's proposal. In the circumstances, it might be advisable to avoid, in the Speech from the Throne, any direct commitment as to the introduction of legislation to implement the committee's recommendations.

The Secretary of State for External Affairs said it could be argued, he did not know how validly, that implementation of the committee's recommendations might have the practical effect of being advantageous to the larger retail organizations but at the same time detrimental to small retailers generally.

001580

RG 2, A5a,
Vol. 2648Privy Council Office
Bureau du Conseil privéNational Archives of Canada
Archives nationales du Canada