

*Supply—Justice*

who is a member of the baking industry combine and who needlessly adds one cent per loaf to the cost of every loaf of bread the Canadian housewife buys, should only be fined. In my opinion the baker is a bigger criminal than the man who steals a bit of wire from his employer.

I would urge upon the government that they look at the attitude and the thinking of the government across the border in connection with this issue, and recall how quickly the confidence of the people of the United States was restored in the institution of government. In contrast, our government merely carries on year after year by levying fines upon those who have been found guilty. This means nothing to these people. As a matter of fact they very often increase their rate of violation immediately after the results of an inquiry have been released.

If the minister is really concerned about the growing power of Canadian corporations to determine price levels regardless of the normal law of supply and demand, I recommend that before we vote much more money to the combines investigation branch we consider amending this act so that it will have some effect on the Canadian economy and on the faith the Canadian people are supposed to have in our method of doing business, as well as upon the respect our people are supposed to have for law and order in this country.

**Mr. Hellyer:** Mr. Chairman, we should hear something from the minister on this subject. The parliamentary secretary to the Minister of Justice told us a few minutes ago there was no evidence that prices had been increased since the change was made in the legislation last year. Obviously the parliamentary secretary has not been shopping recently or he would know from his own experience that prices for many lines of hard goods have increased. The Minister of Finance should be interested in this matter, because the Minister of Finance is interested in the total amount of business done in this country and in the total number of jobs available to Canadian workers.

The Minister of Finance is well aware of the fact that there is an elastic demand for many of these hard goods. The lower the price is, the greater the market, and the greater the market the more jobs there are for the people who manufacture these goods. Part of the trouble with our economy at the present time is this matter of the rigidities which are being built into it. One of these rigidities is fixed prices. I think the minister should look into the effects of the changes in the legislation which were enacted by parliament last year to determine the extent to which they have caused prices to be increased, as well as the effect this has had on markets

[Mr. Regier.]

and consequently upon employment in Canada. I think he should do this not only for his own sake but because he has a responsibility to this House of Commons and to the Canadian people because of his high office.

**Mr. Benidickson:** The productivity council should look at it also.

**The Chairman:** Shall item 696 carry?

**Mr. Regier:** No. I should not like this opportunity to go by without making this comment. When I referred to the budget contribution of the Minister of Finance in 1959 I noted that he, by shaking his head, attempted to deny that he had indicated as I mentioned. I should like to read to the minister what he had to say as reported at page 2408 of *Hansard* of April 9, 1959 when, among other things, he said this:

Advancing technology might have been expected to reduce the cost and selling price of many products to consumers. It is evident, however, that developments in corporation pricing policies, in labour organization and even in our political democracy are producing increased rigidities which inhibit the free play of competitive forces and thereby promote inflation and price increases.

All I am asking at this time is what are the intentions of the government with regard to this concern so aptly and ably expressed by the minister on April 9, 1959, other than a mere pouring of more money into more investigations that will find even more Canadian corporations guilty, but will have no effect in reality except to build up an attitude of despair and cynicism on the part of Canadian consumers.

**Mr. Fleming (Eglinton):** Mr. Chairman, I am obliged to the hon. member for reading exactly what I did say in the budget speech of 1959 and in that way exposing his earlier misinterpretation of what I said in this regard. Hon. members are now in a position to contrast what I actually did say with the interpretation put upon it by the hon. member in his earlier remarks.

May I remind you, Mr. Chairman, that item 696 is for a further amount required in addition to a sum already voted by parliament and to be found in the Appropriation Act passed earlier in the session of 1960. In this situation, as I understand it, the rule that applies is that we are not debating the principle of the main item but are simply endeavouring to decide whether the additional amount now proposed is in fact required.

I may say that this additional amount is in fact required. It is required owing to an unforeseen increase in reporting costs and other fees and expenses in unusually prolonged inquiries, and to cover the cost of travelling to hearings at points outside of Ottawa. These are additional expenses necessarily incurred