

Competition Bill

hon. members, misleading. In fact, it will likely increase rather than lower the cost of goods in this country.

I come back to the broader spectrum, Mr. Speaker, which is: what are the forces in this nation that are working against free competition? I suggest that hon. members should look at the large corporate power units, the large union power units and the large banks in the country. I suggest that any one of those groups has an extremely important role to play when we consider whether there is to be freer competition in Canada. Take banks, for example. With their assets standing at \$55 billion and general loans at \$30 billion, perhaps the best role for any person in this country is that of director of one of these banks. Each director of our banks represents assets which on average amount to some \$170 million per director. Each director controls loans amounting on average to almost \$100 million.

● (1520)

I grant that the Liberal party is heavily indebted to the chartered banks in that it receives substantial campaign funds from them. Nevertheless, the government should not go through the charade of saying that somehow Bill C-7 will provide for greater competition. It should not be allowed to ignore the fact that it is not doing anything substantive to ensure competition with regard to foreign ownership, the large banking interests, the large corporate interests and the large unions in the country. Not only is it extremely unlikely that this bill will increase competition in the country and reduce the inflation rate, but it may damage business in many respects. It will hurt especially smaller businessmen.

When I last spoke on this bill I mentioned a constituent of mine, who, having been subjected to government bureaucracy and red tape, wrote to me in exasperation. I quote as follows part of his letter to me which expresses his concern about government controls:

I cannot help but speculate on the costs to business and the resultant effect on our profits in carrying out the seemingly endless tasks demanded by various governments. The very same governing bodies who order that we carry out these tasks free of charge unhesitatingly expand their various departments to better carry out their functions of harassment, interruption and annoyance. Let's take a brief look at some of these government imposed workloads: we must keep accurate records for, make accurate deductions for, prepare accurate returns for, provide inspection facilities for, and in certain areas make prompt payments to the following government departments or government controlled agencies: Workman's Compensation Board, provincial income tax, Canada Pension Plan, provincial department of labour, federal sales tax, Dominion Bureau of Statistics, Ministry of Transportation, Minister of National Revenue, federal income tax, unemployment insurance, provincial hospitalization, federal Department of Labour, provincial sales tax, Department of Agriculture, Ministry of the Environment, corporation tax divisions.

These services can only be classified as additional forms of indirect taxation which unfortunately are very real costs to the Canadian business community. I would speculate that the figure runs into multimillions of dollars.

This letter was sent by a relatively small businessman who does on average half a million dollars' worth of business and makes on average about \$20,000 per year. He has referred to the type of red tape which frustrates business people more and more, including himself. I suggest that the government should introduce legislation which will deal effectively with the big power blocs of this

[Mr. Stevens.]

country. Such action would be more effective in bringing about competition than the present bill, or the setting up of a new commission whether it is called the Restrictive Trade Practices Commission or by any other name.

Surely, if the government intends to subject businessmen to this new type of review and investigation, it should in fairness include in the legislation some provision for providing funds to companies who are being investigated. The money would enable the companies to present a proper case and do the necessary red tape work in connection with any review or investigation which will be undertaken by civil servants who will administer the act. I agree that large corporations can probably live with this type of investigation. I think smaller businessmen deserve protection from the unrelenting efforts of civil servants who often investigate for the sake of investigating.

The bill is alarming in some respects. The provision for giving wide discretionary powers to the commission referred to needs to be questioned. I think every member of the House should question the extremely wide powers to be given to civil servants with regard to investigation. Surely no one suggests that such investigations in the past have always been objective. Personal influence has sometimes been brought to bear by competitors on civil servants to ensure that other competitors are put at a disadvantage in the market place. I think this House ought to move cautiously in dealing with legislation like this and should bear in mind that it is superficial legislation which may do more harm than good.

It should be noted that in our country the inflation rate has reached 9.1 per cent and, according to unofficial predictions, may reach 10 per cent; yet no budget has been introduced. The government has given priority to the bill before us.

Housing starts fell by 36.8 per cent in the last three months compared with the previous three months, yet the Minister of State for Urban Affairs (Mr. Basford) has not brought forward legislation which will ensure a plentiful supply of housing at reasonable prices. I remind hon. members again that since this government took office in 1968, housing in my area has risen in value by 72 per cent. Yet here we are, expected to give precedence to a bill which will do little to help us meet our housing needs.

This bill is to have precedence over legislation dealing with the unemployment insurance fiasco which is costing the nation well over \$1 billion in needless pay-outs. This bill is to have precedence over other bills even though the Minister of Industry, Trade and Commerce (Mr. Gillespie) has said flatly that he cannot or will not do anything to establish an industrial strategy in this country. Having said that, he has told us that he will not intervene in any attempt to control commodity prices in this country, even though commodity prices have risen by 25.7 per cent within the past year. We are asked to give precedence to this bill even though the Minister of Transport (Mr. Marchand), on March 7 in this House, virtually threw up his hands, said the entire department is out of control and that there is little he can do. Today he was asked the direct question whether he proposed to bring in any legislative measures to attempt to control the out of control