

Combines Investigation Act

clearly the considered explanations and the categorical statements to Mr. McGregor by Mr. Gordon, in the meeting of October 22.

I am told Mr. McGregor was reluctant to do this, but he said he would think it over. On Saturday, October 29, Mr. McGregor telephoned Mr. Taylor and said that he was not prepared to make any changes or additions. It was only after this event that it was clear that Mr. McGregor desired to make no further changes, and I tabled the report on Monday, November 7, 1949.

Mr. Coldwell: At the request of my colleague and myself. It was not tabled spontaneously by the minister but at the request of members of the house.

Mr. Garson: I think technically my hon. friend is right, but I hope he will accept my statement that we certainly would have tabled it in any event, because that is the case. My hon. friend is right in saying that his request preceded the tabling, but this is not a case of *post hoc ergo propter hoc*. At the same time we introduced the amendments to the Combines Investigation Act now before the house.

Let us now go back and cover some of the points raised by previous speakers. Let us deal first of all with the matter of the offence with which I am charged of not seeing that the report was published within fifteen days from the time it was delivered to my office on December 29, 1948. As I have already indicated, this was physically impossible under the circumstances which I have outlined.

Nevertheless the point was raised by other discerning speakers as to why it was not published as soon as possible after January 13. That is a question which deserves the full and serious answer which I shall now try to give it.

As soon as I took the report to cabinet council, I encountered at once, as has already been made apparent in the exchanges which have taken place concerning this matter, strong disagreement not as to policy but about the facts relating to whether the acts done by the milling companies under the direction of the wartime prices and trade board were exempt from prosecution under the Combines Investigation Act. Strong exception was taken to Mr. McGregor's contention in the report that the milling companies had been guilty of an infraction of the Combines Investigation Act during wartime control. Those who professed that view seemed, in my opinion, to have good grounds to know the facts as to what the milling companies had done during this period under the direction of the wartime prices and trade board.

They felt that it was most unfair for one department of the government to be recommending prosecution of citizens of the country in respect of what they had done to comply with regulations and requirements of another department.

When I placed the matter before cabinet council I had only one copy of the manuscript, and, although I am not certain, I think I had the press report to which I have referred before, which was not made available until later on, certainly well beyond the publication period. I loaned either of those documents—I am not sure which—to the Minister of Trade and Commerce (Mr. Howe) in order that he could check it with his officials.

Mr. Diefenbaker: What date was that?

Mr. Garson: I could not even give the week, but I would think it would be around the latter part of January or in February. In due course my colleague reported that he had consulted his officials and they had strongly confirmed his own recollection of the facts.

Once this cleavage of opinion became apparent and was established it seemed to us we could have done one of three things. We could have published the manuscript at once as an official report, without comment, though of course that would not have complied with the act because the time for publication had already expired. Moreover, it seemed to us this would not be a proper course because the publication without comment would have implied an endorsement of the report by the government, which would have been quite inconsistent with the view held by some members of the cabinet that as to its facts the report was incomplete and misleading.

This course was particularly unacceptable to the Minister of Trade and Commerce (Mr. Howe), who insisted upon making a statement coincident with the publication of the report repudiating it as far as he personally was concerned. He felt that if he did do this he would appear to the whole business community of Canada, whose co-operation he had sought and received in full measure during the period of war control, as a treacherous double dealer who had led them into a course of conduct only to turn around and betray them. If a statement of that sort had been made obviously it would have made prosecution difficult if not impossible and, incidentally, would have left the combines investigation commission rather under a cloud.

On my part, while I fully appreciated the difficulty of my colleague, I did not feel