

arrangement is temporary and for the purpose of facilitating the entry of a new product onto the market or where there is some technological justification for it. Exclusive dealing takes place when a supplier requires his customer to buy certain products only from him, or from someone he nominates, or when he induces his customer to do so by giving him more favourable terms. Farm implement companies, for example, have required their retail dealers to stop selling the products of competing manufacturers, some of whom specialize in a few products not constituting a full line. The tendency of this is to deprive the market of products which are in demand and which would produce needed price competition in the market. Major oil companies have also engaged in exclusive dealing. This practice can damage competition if it unfairly prevents other suppliers from having access to outlets.

It has been brought to my attention, and I think it is worth mentioning here, that there is one practice which has not been dealt with in this proposed section and, if I may, I will read the complaint of the National Association of Tobacco and Confectionery Distributors as follows:

[Translation]

The distribution industry for tobacco products, preserves and miscellaneous goods greatly contributes to the welfare of the consumer by its efficient distribution system at economical prices through small retailers and other retail centres.

This system and its benefits for the consumer are being threatened by the tactics of the large distribution chain predators. No present or proposed legislation offers any protection against these tactics, of which the most serious is the use of loss leaders.

Not only must we protect the competitive structure against the acts of predators, but also promote the system by allowing the additional functions and services that it provides to be recognized.

We suggest two basic changes to the Combines Act: one to prevent the use of loss leaders, not only when this is an established policy, but also in the case of repeated offers, and the other to enable the suppliers to offer functional discounts for additional services.

[English]

I felt it best, in dealing with this bill this afternoon, to concentrate on one or two particular points. I am also aware that the minister has received many representations. I am personally somewhat disappointed that Bill C-7 is a reprint of Bill C-227 which was presented to the House in the last session, but I am assured that reasonable changes will be discussed and amendments proposed in committee. It is my belief that with the co-operation of all parties we should be able to produce a good bill, and therefore I recommend passage of the bill on second reading.

**Mr. J. H. Horner (Crowfoot):** Mr. Speaker, I think some answer should be given to the hon. member for Bruce (Mr. Whicher) who spoke earlier today. He suggested there should not be any debate and said the bill should go to committee as soon as possible. There is a purpose for debate in the House of Commons; it is to make the country aware of just what is intended in a bill and how a bill will affect people's lives and livelihood.

This bill touches on many things. It is a bit of an omnibus bill in a sense, covering a number of things. It has what is called a consumers' section, it includes some changes to the Bank Act and proposes changes in competition among corporations. It also reaches into the amateur and professional sports field. It will affect a wide number

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of people throughout Canada in various occupations and walks of life. All bills discussed in parliament go to committees where they are studied. Interested parties can appear before committees, ask for changes and demand clarification of certain provisions in order to determine how they will be affected by a particular bill.

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Many governments believe that pieces of legislation will affect the community or the country in such and such a manner and then, as soon as the legislation is passed, to their surprise and amazement it has the opposite, or the wrong effect. We see a glaring example of that today. In his concern for the livestock industry, the Minister of Agriculture (Mr. Whelan) convinced the cabinet that they should offer a subsidy of 7 cents per pound for beef sold in Canada. I am sure that his intentions were the very best and he really wanted to help the livestock industry. But his action has caused chaos and hardly any cattle have been sold in auction marts across Canada for the past three days. This was done by order in council, a short-term method by which governments can impose their will upon the people. Legislation is harder to bring in and harder to change.

I do not think members of parliament should ever be apologetic about looking at legislation which the government wants to implement. We should take the time to understand it and to explain it to the country so that the people will know exactly how they will be affected by it. That is particularly true of a bill as encompassing as this one. People and groups should be alerted so that they can seek permission to come before the committee to present their views and have some of their fears set aside.

There is no question that the development of the Department of Consumer and Corporate Affairs in recent years has brought safety measures and improvements to products offered for sale on the Canadian market. But as legislators I think we should ask if it has paid for itself. Has the safety that it has brought to the Canadian consumer cost too much? The more security, the more safety measures we have, the more difficult it is to manufacture a product and to meet government requirements.

I am sure that if a survey was sent around the food processing industry asking for their biggest complaint with government today, the first would be that too many forms have to be filled out. That is not so difficult for a firm like General Motors. They hire a lot of secretaries anyway, so I suppose they just hire one more to work for the government. But for a small concern it is pretty difficult to fill out all these forms and it adds to the cost of the product. We must make certain that consumers are going to get a fair deal and also a safe product.

I think all of us feel that Canada is one of the most fortunate countries in the world. Very few of our people are illiterate. But the higher the standard of education, the more knowledgeable the buyer should be, the more capable the buyer should be and the more able to determine what he wants to buy. If a poor product comes on the market, an educated buyer should be able to reject it and, if it does not sell, the company either goes broke or changes the product. That is the principle to which I have always subscribed. But if you have a society where 97 per