

*Combines Investigation Act*

What is the tendency in this country to-day? Unfortunately when people see that one business is making money they all want to get into it in order to make some too. That is what happened in connection with our pulp and paper business. The Minister of Finance (Mr. Dunning) was receiver for one of these enterprises and he knows what happened. It was wasteful competition, it was the trading off of an old dollar for a new one sometimes not worth a hundred cents. That is the condition we have to meet. We endeavoured to meet it with the 1935 combines act but it was not designed to deal with that phase of the question at all. It cannot deal with it in the very nature of things because it is not a combine. I know of industries in this country which are not combines, but which have monopolies of their particular business. They have obtained that monopoly through buying out their competitors or forcing them out of business. They offered a price and if it was not accepted the competitor was put out of business. That is the situation with which we are confronted.

We must prevent these things if we do not want a lower standard of living and reduced wages. But to do so it is not necessary to set up this costly machinery. The necessary authority had been placed in the hands of the tariff board under the previous act. Continue with the same investigator if you will, only give some supervision. He is now without supervision and is free to pursue his own course. He has a mind untrained in law, but he is empowered to make investigations that will harass and not help business. If you carry out some of the provisions of this bill that is what will happen. I do not think that is the intention of the government, but that is what will result.

Some of the sections of this bill go farther than we have ever gone before; they make a judge out of a man who is not a lawyer. This is not the first time a judge has been made out of a man who knew no law, but it is the first time we have made a judge out of one who is not a lawyer. I think it was James who made the observation that you could easily get twelve judges to agree, but you could not get twelve lawyers to agree. That is what is happening here. The minister should give us some reason why he finds it necessary to take the administration of this act out of the hands of the commission and appoint a commissioner and invest him with the authority that is proposed. The reason the president of the privy council was made administrator of the act was that it was felt to be a matter of high policy that the Prime Minister, who in this country is usually the

[Mr. Bennett.]

president of the council, should have before him at all times knowledge of what was being done that so vitally affects the economic policy and life of the country. But if you are not to have the president of the council, then it does seem to me that the Minister of Trade and Commerce, whose one job is to keep in touch with trade and commerce, should administer the act. What I am asking for at the moment is some explanation as to why we should not utilize the tariff board, so as not to involve additional expense until such time as its duties become so great as to necessitate an additional commission. Why not let them carry on the work instead of setting up the costly machinery of another branch of government?

Mr. ROGERS: The question of the administration of the combines act was dealt with when the bill was before the house on second reading.

Mr. BENNETT: Very slightly.

Mr. ROGERS: Perhaps the leader of the opposition will feel that it was not dealt with adequately. At the same time I think there is some cogency in the reasons given at that time for the change contemplated in this bill. Under the trade and industry commission act, the combines act was placed directly under that commission, and the members for the time being of the tariff board of Canada were declared to be the members of the Dominion Trade and Industry Commission. The result was to place an additional duty, and, as I think all hon. members will agree, an important additional duty, upon the tariff board. According to my reading of the debate at that time, it was contemplated even then that the additional duties imposed upon the tariff board would in the nature of things require some additional staff, and that some separation of functions would be necessary if the work were to be performed efficiently. At the present time what we are doing is detaching from what is already an overburdened tariff board a function which at any rate does not relate of necessity to the tariff board as such. I would not say for a moment that the present members of the tariff board, or at any rate the chairman, are not competent to deal with the questions raised in the administration of the combines act. On the contrary I feel confident that the chairman of the tariff board would approach such a duty with every fairness and with great ability. But I think it must be agreed that the administration of a combines act does not of necessity have anything in common with the work of a tariff board.