

CN/CP, and thus encourage the increased use of satellite technology, thereby making satellite-based services available to Canadians at the lowest possible cost. This approach is also consistent with the government's view that the public interest is well served by an element of competition in the provision of telecommunications services and facilities that clearly fall outside the family of monopoly telephone services."

CRTC Decision 81-13 dealt with a number of other matters as well and the rulings on these matters have not been varied by the government. One relates to revenue settlement arrangements whereby revenues received by member telephone companies for long distance calls are shared with the TCTS. The CRTC has been concerned that Bell and B.C. Telephone, which fall under its jurisdiction, may be paying too much to the TCTS, thereby affecting rates paid by subscribers. For example, Bell makes payments to the TCTS even on long distance calls between points entirely within the Bell network. The CRTC has directed Bell and B.C. Telephone to seek to renegotiate their arrangements with the TCTS, and public hearings on the matter will be held in due course.

REPRESENTATIONS TO BE INVITED AFTER INTRODUCTION TO COMPETITION BILL

Consumer and Corporate Affairs Minister André Ouellet, in an address before the Financial Post Conference on Competition Policy in Toronto on November 20, indicated that time would be provided for the submission of representations after the introduction of the competition bill and before its enactment. He hopes to introduce the bill early in the next session of Parliament, and it will go before the House of Commons Standing Committee on Finance, Trade and Economic Affairs after second reading. He also pointed out that government or other amendments could be proposed just before third reading.

FOOD PROCESSORS SEEK HALT IN SPREAD OF SUPPLY MANAGEMENT FARM MARKETING BOARDS

The Grocery Products Manufacturers of Canada, representing 140 food processors, has called on the federal government to declare a moratorium on the creation of any additional farm marketing boards having supply management powers enabling them to set production quotas and prices. It also expressed support for a recommendation of the Economic Council of Canada that the quota powers of existing supply management marketing boards be phased out over the next four to five years.

The recommendations are contained in the Interim Report GPMC Task Force on the Impact of Government Policies on Grocery Product Marketing which was released in October.

According to the report Canada had a deficit of about \$1.3 billion in non-grain food trade in 1980, and the deficit has been increasing due to rising imports and lack of export growth. While citing a number of factors contributing to the trend, the report states:

"However, the single most important government policy, and the one which has had by far the greatest impact on Canada's unfavourable performance in the area of food imports and exports, arises from the encouragement by the federal and provincial governments of supply management-type Marketing Boards. The existence of this type of marketing facility, in the opinion of the Task Force, has significantly increased the cost of food to Canadian consumers, while rendering the food and beverage industry ineffective in competing against foreign suppliers in both the world and Canadian markets."

A study of the Canadian potato industry, which the GPMC released at the same time, concluded that if the proposed eastern Canadian potato marketing agency were to receive supply management powers the demand for Canadian potatoes could be reduced by 30 to 50 percent over the next ten years.

Among its recommendations, the GPMC proposed the creation of a consulting body consisting of all federal departments with responsibility for food and of primary producers, processors, distributors, retailers and consumers. It would be to "ensure that all future policy decisions take into account the best interests of each link in the food continuum".

COMBINES DIRECTOR URGES ADOPTION OF FLEXIBLE STOCK BROKERAGE RATES

Mr. Lawson Hunter, Director of Investigation and Research under the Combines Investigation Act, appeared before the Ontario Securities Commission on November 23, to urge adoption of flexible brokerage rates for trading on the Toronto Stock exchange instead of the present system of fixed rates. The O.S.C. has been holding public hearings on the question and representatives of the Montreal and Vancouver exchanges have been present. Mr. Hunter summarized his position as follows:

"My analysis leads me to believe that a switch to a system of negotiated or flexible brokerage rates would increase efficiency in the Brokerage industry and also in capital markets. In addition, I believe that both individuals and institutions will be treated equitably in a flexible brokerage rate system. Analysis of the effects of a change in rate structure in the United States also leads me to conclude that the new system is working very well in that country and although one cannot directly map U.S. experience into the Canadian context, I am confident that there are enough similarities in the market milieus in the two countries to allow me to predict that similar results could be expected in Canada.