

cation of canneries, which means that each one of these parties contrives to get all the fish he can. The first thing to do, I think, is to stop granting any more licenses for a term of years so as to give the industry time and opportunity to pull itself together.

Q. Licenses to canneries?—A. Licenses to canneries.

Q. All canneries, or just pick out certain canneries?—A. I would say all salmon canneries in British Columbia. Don't give any more licenses at all for a term of years.

Mr. WARD: Mr. Chairman, I would like to ask a question.

By Mr. Ward:

Q. What brought about this flood of canneries in the first place? Was it not because the business was profitable?—A. Oh, yes; but I want to point out to you that if you had put \$250,000 into canneries and you ran along for a couple of years, and then the number of canneries was suddenly doubled and you found that instead of having a full supply for your canneries you would have to cut down your work by 50 per cent and you would increase your costs and reduce your profits in proportion, it would be a very serious blow, naturally. It is the same as working a mine or working a timber limit; if there are half a dozen people go and encroach on the same ground it naturally means that the pioneer is going to have a hard time, and the industry will finally be rendered unprofitable to all concerned. Our company has never built a cannery wherever it was overdone already. In every case where we have expanded we have bought in other people's interests.

By the Chairman:

Q. Just there, you think that no more cannery licenses should be issued. How is it possible to prevent cannery licenses or men engaged in any other industry from manufacture?—A. It was prevented in British Columbia for a term of years, and it became very serious. It threatened the industry.

Q. No licenses were granted?—A. No licenses were granted.

By Mr. Chisholm:

Q. And that was a serious grievance at the time, wasn't it?—A. Yes, among the few who were barred out, but if there were three canneries in any river to every one that should be there, economically it is surely manifest that there should not be any more built.

Q. Well, if you apply that rule to our lobster fisheries in Nova Scotia you will find a great many people who will say that there is too much competition there and that the proper attitude of the Government should be to abolish a certain number of licenses and confine the operations to a few canneries. There would be a rebellion if anything like that were attempted.—A. Well, I do not think the lobsters move quite as fast as the salmon.

Mr. HATFIELD: As a matter of fact, I think there was a period when there was a restriction on the number of licenses for the canning of lobsters in Nova Scotia. Pressure has been brought to bear on the Government, or representations were made showing what we supposed were unfair conditions, with the result that those restrictions were taken off, and those who conformed with the Government's standards were allowed licenses.

The WITNESS: I think the gentlemen should consider what the industry is up against, and whether or not the salmon canning industry is being dealt with in a way which is conducive to the interests of the general public. When I first went into this business in 1890 I remember the cost of the pack of sockeye salmon alone was \$2.50 a case. We have experienced recently the fact that the cost of the pack has been up to as high as \$25 a case. It is either a question of closing down a number of those canneries or—well, they will have to close down anyway.

[Mr. H. Bell Irving.]