

As I understand the working of the act in the past, the grant has been made in the case of a business sufficiently developed to want to establish a mechanical cold storage, or that would be sufficiently large to justify the erection of such a plant. Compliance must be made with the conditions on which the grant is earned, by the installation of mechanical cold storage. The plans and specifications have to be supplied to the Department of Agriculture before the grant is made. I may say to the hon. member (Mr. Tolmie) that if a provision as to minimum size was necessary it could be inserted in the bill. It has not, however, proved to be necessary in the past because the stipulations with regard to mechanical storage have taken care of it.

Mr. TOLMIE: Will the application of joint stock companies and municipalities for cold storage be included?

Mr. MOTHERWELL: Personally I do not think so. At the same time I shall seek the advice and counsel of the committee later on in regard to these details. I may say to the hon. member for Salcoats (Mr. Sales) that the first cold storage plant taken over by the co-operative creameries in the West was one that was constructed in Regina and operated municipally. It was a magnificent failure, and it was with a great deal of trepidation that the co-operative creameries took it over, because they were afraid that the bad reputation it had earned in the past would follow it under the new ownership. Notwithstanding that, twelve months after they took it over and operated it on a business basis, they made it pay. I would not like to condemn cold storage in all individual cases. As a general rule, however, they have not been successful, and I could not advise, from my knowledge of them, that we should grant subsidies in all such cases, particularly as money is so scarce at the present time.

Mr. SPENCE: As I view the matter the municipalities are to be deprived of the right of taking advantage of this grant for cold storage purposes, and it looks as though this assistance was intended to be limited to co-operative societies. That, I think, would be an actual injustice. I claim that the municipality has just the same right as any co-operative organization in this matter. I would like to know specifically from the minister where he intends to establish these cold storages and what existing co-operative societies they are intended to benefit. What is the idea underlying this legislation?

Mr. CARROLL: Some years ago I interested myself in the matter of cold storage—

Mr. SPENCE: If my hon. friend will pardon me, I asked the minister where he intended to establish these cold storages and if the co-operative societies sought to be aided are in existence.

Mr. MOTHERWELL: In answer to the hon. member's last question I would say that they are not in existence. The regulations stipulate that the institution must be established before a subsidy can be paid. As to where they are going to be established that is something with which we have nothing to do at all, it rests with those who are going into the enterprise whoever they may be. They can get together and put up an institution of this description, and when they comply with the regulations and the law they will get their subsidy. I think my hon. friend wants to know whether the bill, when passed, will be retroactive, and whether it will apply to institutions of any description? I hope it will not be retroactive because the dear knows where that would lead us. It would not be encouraging anything new at all, it would be subsidizing something already in existence. Consequently the law will apply to new plants, or possibly the extension of old ones. That will give additional accommodation and service to the country. As to including municipal cold storages, in view of the fact that this grant has been held out as a drawing card for four years to the municipalities of Canada to influence them to construct cold storage plants, and has not resulted in one earning a dollar under it, and in view of the doubtful reputation that these institutions have as an economic success, surely we would not be justified in continuing such aid, but we should rather take such moneys as we have at our disposal and develop something else that is more urgently required at the present time—that is, the co-operative institution.

Mr. MORRISON: During the last four years municipalities have been going through a series of hard times, and have been hearing that word "economy" a little bit in their midst. They are all overtaxed, and the people have been crying for rigid economy, and perhaps that has militated against municipalities taking advantage of this act. I for one would not exclude them from the benefits of the act, but I am not much of an advocate for subsidizing anything. In the past the system has been abused, and the people have had to pay for it. If it was desired to help the cold storage business the government might consider the matter of