

ada. The beef in question was prepared during the war for sale to the British Ministry of Food who now do not require it, and owing to unfavourable exchange conditions between Europe and America, it is necessary for the Italian Government in order to purchase the beef to obtain a credit for the amount required from the Canadian Government.

The Minister, in view of the foregoing, recommends that a credit not exceeding Six Million Dollars from the War Appropriation, 1918-19, be authorized to the Italian Government for the purpose mentioned, to be secured by the deposit with the Imperial Treasury for account of the Dominion Government of Treasury Bills bearing interest at the rate of 5½ per cent per annum.

The Committee concur in the foregoing recommendation, and submit the same for approval.

Thus the Government helped to create scarcity by sending our goods to other countries, lending the money to other countries to buy these goods that Canada produces and removing foodstuffs from the Canadian consumer. The Government could have remedied the situation by regulating the cold storages. We find by reading the newspapers that there is a great waste of foodstuffs which are allowed to rot in the cold storages and are then destroyed. Only last Saturday I read in the Ottawa Citizen a despatch from Montreal to the following effect:

The city of Montreal, from the first of January, 1919, till August 22nd, of this year, has confiscated enormous quantities of foods which were unfit for human consumption, having done away with 215,667 pounds of meat alone.

With also 884 pounds of fowl, 60,076 pounds of fish, 1,147 pounds of fruit, and 3,323 pounds of vegetables, Montreal likely leads the whole of Canada in the line of confiscation, with Quebec city running a close second, that city having had 95,813 pounds of meat condemned in the ancient capital; over ninety thousand pounds of this was veal.

If these cold storages were better regulated and were not allowed to keep foodstuffs until they are condemned as being unfit for human consumption these foodstuffs would be sold at lower prices to the consumer. Food is very much like money. If money is put in circulation the rate of interest decreases while, if it is kept out of circulation, the rate of interest increases. If foodstuffs are kept in cold storage a scarcity results and prices go up, whereas by putting them on sale the shortage is relieved and prices diminish.

As to lines of credit granted by the Government, we have granted a line of credit to Italy, and we have also extended to Rumania credit to the extent of \$25,000,000. Although we may not lose on the credit granted to Italy it looks as though there will be some loss in connection with the credit to Roumania. Roumanian bonds are

[Mr. Proulx.]

now selling at a large discount and even though our \$25,000,000 should be repaid it will probably be without interest.

The Prime Minister earlier in this debate said the Government had given power some years ago to the municipalities to institute prosecutions where excessive prices were charged. As we all know that policy has been a failure. My hon. friend from Antigonish and Guysborough (Mr. J. H. Sinclair) discussed this matter the other day, and I agree with him in the opinion which he then expressed: the policy has been a failure and the Government never intended that the power given to the municipalities should be largely exercised. We know very well that the small municipalities would not go to the trouble of holding investigations and bearing the heavy costs necessitated by the institution of prosecutions. Moreover, the matter is one of federal concern. It is so regarded in the United States where the Washington Government has caused prosecutions with the result that the prices of foodstuffs have largely decreased. Even in Canada, since the Board of Commerce commenced its operations prices have commenced to fall, and I hope that board will be successful in bringing about further reductions. Public attention has been drawn to the case of one merchant in Ottawa who sold sugar at a profit of three cents a pound. In my opinion, this is an enormous profit on a commodity like sugar. One of the members of the board also investigated the prices charged by Ottawa restaurants for meals, alleging that they were too high. Well, Mr. Speaker, the Government itself has given a bad example to the restaurant people; the buffet car on the National railways has been one of the greatest sinners in that regard. My hon. friend (Mr. J. H. Sinclair) exposed the other day the extravagant price charged for fish in a dining car on a government railway, citing an instance where he paid 65 cents for a portion of fish which probably did not weigh half a pound and which the Government must have bought for about four cents a pound. Why, Mr. Speaker, if you order a piece of roast beef in a buffet car on the National railways to-day, you have to pay 80 cents for a portion which only weighs about one-quarter of a pound. Then for corn on the cob which costs the Government only about one cent, the price is 25 cents. If the Board of Commerce really wants to decrease the prices of restaurant meals in this city it should investigate the prices charged in the National railways buffet car, which, as I have already said, is the greatest sinner among the restaurants.