

body in the industry wanting it. In that respect the producers in Canada have no protection whereas British producers are protected under the British legislation.

The third respect in which this bill differs from the British act is that the British consumer is protected, whereas there is no protection for the Canadian consumer—and again I am speaking of protection not in the fiscal but in the dictionary sense. I would refer the minister to the provisions of the British act, section 9, subsection 2:

- A consumers' committee shall—
- (b) be charged with the duty of considering and reporting to the minister on—
 - (i) the effect of any scheme approved by the minister, which is for the time being in force, on consumers of the regulated product; and
 - (ii) any complaints made to the committee as to the effect of any such scheme on consumers of the regulated product.

In other words, the British legislators have recognized that the consumer has some rights and some interest in marketing legislation, but under the substantial sections of this bill, the consumer is not recognized. That is a very notable and serious and fundamental omission.

The fourth, and perhaps the most important difference of all between the legislation of Great Britain and this bill, is that in Great Britain the rights and the supremacy of parliament are preserved. Under the British Act a scheme, which must originate with the producers, and be sanctioned by a majority of them, and be not inconsistent with the interests of consumers, goes before both houses of parliament, and the draft of the scheme must be sanctioned by parliament before it is even submitted to a vote of the producers. In this as in so much other legislation which has originated with the government now in office parliament is completely left out of the picture. That is a fundamental and important feature of the proposal now before us. One by one measures are introduced which take away the powers and authority of parliament. I certainly cannot approve, nor do I think my constituents or the producers of this country will approve, of the taking away from parliament of its time-honoured rights and privileges, its function of legislating for and protecting the interests of all classes in the community.

So much by way of introduction to a consideration of the legislation itself. Under this bill, as I have said, a series of orders will be issued to the producers. Perhaps I have dealt with that feature fully enough and need not go further into it. Then what are the objectionable features of the bill from an economic

[Mr. Ilsley.]

point of view? This is an economic measure. I am dealing with it not on a theoretical basis at all but on a practical basis. To begin with I regard as unnecessary, at least so far as the interests of the producers I represent are concerned, the power to determine the quantity of the regulated products that shall be marketed by any person at any time. I refer to section 4, subsection (1) (a):

The board shall, subject to the provisions of this act, have power

- (a) to regulate the time and place of marketing the regulated product, and to determine the manner of distribution and the quantity and quality of grade of the regulated product that shall be marketed by any person at any time, and to prohibit the marketing of any of the regulated product of any grade or quality.

Right here let me say that I think there is a fundamental distinction between the power to regulate quantities and the power to regulate quality. In the Fruit Act we have a provision that no cull apples may be placed upon the market except for processing or some similar purpose. I think it is a sound thing to have authority vested in some governmental or other authority to keep poor quality goods and commodities off the market. It puts the producers on the stretch to produce commodities of good quality; it benefits the consumer because it gives him good articles. It is one indication of the progress of our civilization that we improve the product that goes on the market; therefore I cannot object to a power to regulate quality. But I think that is as far as we should go. When this bill goes further and vests in a board the power to determine the quantity of the regulated product which shall be marketed by any person at any time, I think it goes too far. What is the effect of the regulation of quantity? It simply means that the board will have power to withhold goods from the market in order to create a scarcity value, temporarily enhancing the return to the producer at the expense of the consumer. I refer the minister to the experiments in curtailing production by withholding goods from the market that have been tried in various parts of the world during the past fifteen years. The proceedings of the Canadian Political Science Association of 1933 contain three very able speeches on this question, and if the statements made at that meeting are correct, such experiments have uniformly been failures from the standpoint of the producers themselves. I wonder if members of this house are acquainted with what happened in the rubber industry between 1922 and 1928, when the British producers of rubber, seeing that they were producing seventy-five per cent of the world's output, thought they could do