

its proposal—I hope it is not—in the appointment of a committee to study the subject. In fairness, I must say that it will allow an opportunity for both sides to be heard. I am, however, astonished that some active Liberals are not supporting this proposed measure. I should like to remind them of a definition given by the late Mackenzie King of the difference between a Liberal and a Conservative. I do not know how many honourable senators, when speaking on a public platform have had a member of the audience ask the question: "Mister, can you tell us the difference between a Conservative and a Liberal?" but I know that some speakers have floundered about, trying to say that it was a state of mind, and this and that. The late Mr. King put it concisely this way: "When the general interest conflicts with the particular interests the Liberal has always supported and stood for the general interest". It is true that times may change, but principles are immutable. Actually the people of Canada are divided into two camps of thought; one is for the particular interests and the other represents the general welfare of the rank and file of the Canadian people. There is no doubt as to which camp I am in: I am for the general interest, and that is why I support legislation to eliminate price fixing.

In Great Britain price fixing, cartels and combines are looked upon somewhat differently than they are in this country; but the British attitude has been growing here. There is in my home town an agent for the General Electric Company who tells me that he pays them \$12 for an electric kettle which he retails at \$15, and that no one in Canada is allowed to sell below that fixed price. Across the border, in the State of Washington, the same kettle can be bought for \$8.50. But be that as it may; this agent received a letter from the manufacturer stating that if he would send in the names of a friend or two, or of employees, they would allow him to sell an electric kettle to such persons for \$12, and that the wholesale price to him would be \$9. That agent thought that the retail price of \$15 had to be maintained, yet the rule of the combine permitted him to sell kettles to a few of his friends, upon the names being supplied, at \$12.

Hon. Mr. Hayden: Would the honourable senator permit a question? What do you mean by "the rule of the combine"? I am not clear on that.

Hon. Mr. Reid: I probably used the word "combine" in the wrong sense.

Hon. Mr. Hayden: I think you did.

Hon. Mr. Reid: I thank my honourable friend for correcting me on that point. Having

read a report of some of the litigation on combines, I realize now I perhaps used the term in too wide a sense.

Hon. Mr. Hayden: You cannot combine with yourself.

Hon. Mr. Reid: No. I stand corrected. In Ottawa I recently saw two signs, printed I think in Toronto, in two stores, containing these words: "Pre-Korean prices. Shirts formerly \$4.95 now \$3.95". If those stores are making a profit on shirts at \$3.95, which I am sure they are, how much were they making when they were selling them at \$4.95? That situation can be multiplied many times over in Canada, and the general feeling on the part of the public, in spite of all the arguments to the contrary, is that the controlling of prices is a curtailment of free competition as we know it. It is my strong personal conviction that the system of fixed prices retards competition, and we had better do something about it before it reaches the proportions it has in some of the continental countries. When the Safeway Stores, for instance, first started, the housewife could go there and pick up certain goods at two cents or five cents less than the regular price. She served herself, paid the cashier and carried the goods home. But today there is little difference between the prices in the Safeway Stores and in those large outlets such as Eaton's and the Hudson's Bay stores. Such big stores as I have mentioned are today delivering goods to points forty and fifty miles away. The little merchant, who was once able to sell cheaper than the big stores, is today faced with competition on the same price level with deliveries being made to the customers' doors. Certainly, he cannot afford to give that delivery service unless he charges extra for it or foots the bill out of his own profits.

Honourable senators, some of whom may be merchants, probably are wondering how far I will go in my argument on this price question. I would point out further that the agent for General Electric, to whom I referred, is not allowed to handle electric ranges; but a garageman on the corner, who got in a little ahead of the agent, has set aside a corner of his shop where he sells ranges. Yet the company refuses to sell stoves to the agent. There is serious danger to free competition today in the refusal of the manufacturers to sell their goods to certain people and in the fixing of prices, for if you dare to sell below the price that has been set or agreed upon, you may be penalized or put out of business. There are many housewives whose husbands are not earning a great deal. One has only to go into a five-and-ten cent store in this city, or any store special-