

We took the further ground that the section is exceedingly dangerous. The Secretary of State might refer a matter to the Commission or he might not, and there was no limit to the time when he might act. Assume that he took no action with respect to an issue which turned out badly, as many issues do. We feared that in such circumstances people who lost money on the issue would say that he should have referred the capital structure of the company to the Commission before permission for the issue was granted, and that in effect the lack of action by him was virtually a guarantee of the issue by the Government of Canada.

These reasons appear to me to be powerful and insurmountable, and I intend to move that we insist on our amendment with respect to section 26.

Hon. Mr. LITTLE: The amendment overlooked by the right honourable leader is the one with respect to the Director of Prosecutions.

Right Hon. Mr. MEIGHEN: We made an amendment with regard to the Director of Prosecutions. Our committee was inclined to oppose the erection of that rather high-sounding office, and finally, on deciding in favour of it, brought it distinctly under the Department of Justice. I believe there is another section which says that the Director shall be under the supervision of the Minister of Justice. It is considered important that he should not be an officer of the department; so the House of Commons has rejected the clause which would give him that status. I do not recommend insistence on this amendment.

I shall make a motion, but I am not sure of the proper wording. It should be to the effect that in respect of the first exception taken by the House of Commons and the recommendation that "unanimous" be inserted in our amendment, we agree. With respect to section 26, the Senate insists upon its amendment, because it considers that in order to make the section effective the Dominion Trade and Industry Commission would have to employ a technical staff capable of making intelligent judgments as to the capital structure of companies, and this staff would be a duplication of the commissions now existing in all the provinces except Prince Edward Island, which commissions exercise a supervision that is based on principles determined after an extensive study of this whole subject. And we insist on this amendment, in the second place, because the Secretary of State's power to make a reference to the Commission would be interpreted by the

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public as a duty which he should perform unless he is certain of the soundness of an issue, and consequently, in any case where a reference was not made, persons who lost as a result of purchasing some of the issue would be disposed to hold the Government responsible. With respect to all other exceptions taken to our amendments by the House of Commons, we do not insist.

Hon. Mr. DANDURAND: I take it the last statement made by my right honourable friend implies that we do not insist upon clothing the Commission with the right to give an order to cease and desist in the case of an unfair practice.

Right Hon. Mr. MEIGHEN: That is so.

Hon. Mr. DANDURAND: Well, if we were not at the last stage of the session much could be said in favour of retaining our amendment.

Right Hon. Mr. MEIGHEN: I think so, too.

Hon. Mr. DANDURAND: We are venturing into an experiment, and I think that business people as a whole would have been happy to have the Commission empowered to intervene by issuing an order to cease and desist, which order in most cases would have sufficed to bring refractory traders into line. For that reason it is most regrettable that the House of Commons has not seen eye to eye with the Senate in regard to this amendment.

As to the other amendments rejected by the House of Commons, I am at one with my right honourable friend in the stand he takes.

Hon. JAMES MURDOCK: Honourable senators, it seems to me a serious mistake will be made if this measure is passed without a provision permitting the Commission to issue, in its discretion, orders to cease and desist. Someone has said that an ounce of prevention is worth a pound of cure. What is the principle underlying the policing of all our municipalities in Canada? The chief function of police officers is to make it clear that it is unwise to encroach beyond the line of proper conduct. This Bill creates a Commission to investigate alleged combines of individuals or companies. In their enthusiasm to make their business profitable they may get close to encroaching upon the rights of producers and consumers. In such cases what more proper function could this Commission exercise, after a thorough investigation of the facts, than to say to the people in these businesses, "Cease and desist from continuing