

TRADE AND INDUSTRIAL BOARD SUGGESTED

It Should Have Jurisdiction Over Trade Combines and Trade Methods, Says Commissioner

An interesting reference is made to trade combinations in the general report of Mr. W. F. O'Connor, K.C., acting commissioner, enquiring into the cost of living. He says:—

"In most European countries combinations of producers (manufacturing and other) when devised and operated under more or less complete state supervision, are within the law, and such combinations are common. Some have attained great strength, the benefit of which particularly exhibits itself when these combinations come into conflict in the foreign field with the competition of countries such as Canada and the United States, where trade combinations are not favored. They usually sell abroad through a common exchange, and they are thus enabled to secure advantages as to price and capacity to fill large orders which could not be secured by isolated competing enterprises. The strong reasons which undoubtedly exist against permitting such combinations to operate within home markets fail with relation to foreign markets. There we desire to sell as a nation merely a surplus production. And, by the way, under such a system of state supervised combinations to promote export trade, price fixing by the state, if such should become necessary, is made much easier.

Fixing of Prices.

"The foreign price can be fixed as well as the home price. Thus may excessive exporting be temporarily restricted as the occasion requires. The admitted danger of a possible effort on the part of such combinations formed for the purpose of promoting export trade to combine as well concerning home trade would be obviated by the constant presence of state supervision. Their every move, otherwise illegal, must be taken in the presence, so to speak, of the state, and with the state's prior imprimatur. Even in England there is much greater liberty of combination than obtains in Canada. There the coal, cement, pottery and some other extensive interests are combined for export business purposes through common sales and distribution agencies. If my recommendation that a Trade and Industrial Board be established, with jurisdiction over trade combines and trade methods, be concurred in, such a board might well direct its attention to the subject matter now being discussed. In my judgment greater selling efficiency will lead to better labor conditions and lower prices. I favor production to the utmost and the forced sale at the best obtainable price of any surplus. Factories operated at half time or three-quarters time are producing inefficiently. Canada's equipment for industrial effort is said to be of a capacity twice or three times greater than its home trade requirements demand.

"Only by forcing export trade or through the influx of an abnormal immigration of a non-industrial, preferably agricultural, class can extensive 'scrapping' of plants be avoided. Irregular employment reduces the artisan to the condition of a casual tramp. Fixed residence becomes impossible for him. The high wages so often quoted as his per diem rate sadly peter out when calculated at a per annum rate. Steady employment may enable lower per diem rates, but, whether or not, it would be beneficial alike to employer and employee. As a result of war conditions Canada is now selling all that she can produce.

Must Sell with Efficiency.

"We ought to organize forthwith so that we may sell with efficiency when, after the coming of peace, the buyers now clamoring at our counters may require to be coaxed or informed. The problem of efficient production and efficient marketing of manufactures, which will never, as will our foodstuffs, ordinarily, for instance, 'sell themselves,' is so intimately associated with that of the employment of labor that your department may well exhibit a special interest therein. It involves the provision of employment we know not how soon, but we hope very soon, for some hundreds of thousands of Canadians now temporarily absent on a great mission, performing an exalted national service. There will be much owing to our troops when they return. It is true that there will arise an extra demand for manufactured articles incidental to such return, which will in part care for the loss of employment incidental to the practical cessation of munitions production, but such demand will by no means care for all of such loss. There must ensue a temporary dis-

ruption of industry unless we anticipate and are ready to forestall. Merely to produce is well. But what is produced must be sold.

"If in discussing such matters as this it should be considered that I have wandered from my proper text, 'Costs and Prices,' I shall not be able to agree. I consider that by increasing production, thus reducing the cost of production, and efficiently selling, thus reducing the cost of selling, not only the manufacturer, but also the consumer gains. Prices depend upon costs. Lower costs enable lower prices. And, in this same connection, having in mind the demand for the establishment of a board or commission to deal with the legal and other aspects of inland trade, my humble suggestion is that such a board is as much necessary for the purposes of foreign trade. It would be dangerous to permit the formation of trade combinations such as I have described except under state supervision. Such supervision could best be provided by such a board."

MAPLE LEAF MILLING

While there is little activity in the stock of Maple Leaf Milling, the price holding around par, the mills are reported operating close to capacity at the present time. The new unit recently installed at Port Colborne is now in full operation and its complete daily output is required to meet the present demand.

WINNIPEG ELECTRIC

While there have been no sales of Winnipeg Electric stock on the Montreal or Toronto markets recently, a bid was made for the stock on the former market this week of 36. Two hundred and sixty-nine dollars a share was paid for this stock in Toronto in March, 1912. It is estimated that the street railway is losing \$300,000 a year through the competition of the jitneys. In June of this year net earnings fell below the charges on the company's revenue, the deficit being \$11,459. In June, 1916, the net income was \$28,267. In 1893 the Winnipeg Street Railway enjoyed an average net income of \$100,000.

BANK CLEARINGS

The following are the bank clearings for the weeks of August 17th, 1916, and August 18th, 1917, respectively, with changes:—

	Week ended		Changes.
	Aug. 18, '17.	Aug. 17, '16.	
Montreal	\$ 80,866,747	\$ 69,935,063	+ \$10,931,684
Toronto	53,742,774	42,975,867	+ 10,766,907
Winnipeg	33,737,893	33,622,032	+ 10,884,139
Vancouver	8,452,399	5,904,465	+ 2,547,934
Ottawa	5,252,974	4,480,683	+ 772,291
Calgary	5,654,766	4,191,906	+ 1,462,860
Hamilton	4,928,375	3,586,110	+ 1,342,265
Quebec	3,445,202	4,114,033	— 668,831
Edmonton	2,475,493	4,055,099	— 1,579,606
Halifax	2,653,232	2,273,804	+ 379,428
London	2,139,097	1,858,357	+ 280,740
Regina	2,499,066	2,277,233	+ 221,833
St. John	1,764,740	1,836,202	— 71,453
Victoria	1,647,861	1,478,290	+ 169,571
Saskatoon	1,577,607	1,228,281	+ 349,326
Moose Jaw	947,923	958,730	— 10,807
Brandon	474,231	619,690	— 145,459
Brantford	775,501	457,330	+ 318,171
Fort William	577,639	612,037	— 34,398
Lethbridge	972,185	670,009	+ 302,176
Medicine Hat	483,711	352,190	+ 131,521
New Westminster	335,578	301,566	+ 34,012
Peterboro'	586,168	519,575	+ 66,593
Sherbrooke	626,940	582,089	+ 44,851
Kitchener	521,252	453,275	+ 67,977
Totals	\$217,139,363	\$200,343,916	+ \$16,795,447

Toronto bank clearings for the current week are \$55,081,600; for the similar period, 1916, \$42,552,746; and for 1915, \$30,599,078.

Saskatoon bank clearings for the month of July were \$6,858,079.