

Hon. Mr. SINCLAIR: For interprovincial trade. I cite that as an illustration of the unwisdom of conferring wide powers on departmental officers or even on ministers. I am quite sure that if these draft regulations had been inserted in the Bill Parliament would have refused to consider it.

I understand the object of the department in requiring such a high licence fee is to control traders. I submit that control could be exercised just as effectively by requiring them to take out a licence at a nominal fee of \$3 or \$5. To require a fee of \$50 is utterly unreasonable.

In the Bill now before the House there is a provision for licensing producers, traders and dealers and also importers and exporters of natural products. The fee is not stated. I think this information should be inserted in the Bill. This can be discussed in Committee of the Whole.

There is another phase of the Fruit and Honey Act which I should like to discuss now. Section 34 provides that the Minister may from time to time require the licensee to furnish a bond upon such conditions as may be deemed necessary for the performance of his obligations, and so on. In the draft regulations to which I have already referred I find the following:

Upon notice to the applicant for licence of his application being acceptable and that a bond is required, he shall forward forthwith to the Commissioner security for an amount thereat prescribed, which shall be not more than \$10,000 and not less than \$5,000 in the case of a commission agent.

Such security may be given by the deposit of Dominion of Canada bonds or bonds guaranteed by the Dominion of Canada or by the deposit of bonds of any Province of the Dominion, the interest premiums to accrue to the licensee as they fall due, or by the bond of a guaranty company whose bond is acceptable for other purposes by the Dominion of Canada.

This is a most unreasonable requirement and will tend to drive the small dealers out of the business and leave it in the hands of the larger dealers, who, I think, are the greatest sinners in increasing the cost of distribution. I submit that these regulations should have been before us when we were considering the Bill.

I do not wish to refer further to the Fruit and Honey Act. I cite these regulations to show the difficulties that may arise with respect to the licensing provisions of the present Bill, and the necessity for having the fees and the conditions surrounding the licences specified in the Bill rather than leaving them to the central or to the local board.

Hon. Mr. DANDURAND.

It is not at all clear to me who has the power to fix the fee or the tolls which may be charged on any regulated product. A local board may collect those tolls, but it is not clear whether the local or the central board has authority to fix the tolls, or to what extent tolls may be collected with a view to meeting expenses that may be incurred by the board. I think the powers given to the board, in allowing it to surround itself with an organization and provide ways and means of paying that organization, and of compensating traders who through obeying the orders of the board have incurred a loss, are entirely too wide.

Now, honourable members, may I refer more directly to the conditions relating to the trade in potatoes? While mixed farming and dairying are carried on in the Maritime Provinces, potatoes are our main cash crop, particularly in New Brunswick and Prince Edward Island. We produce two distinct grades—certified seed potatoes, and table stock—and they come under different regulations so far as inspection is concerned.

I do not know how this measure will apply to the potato trade. I can see that it might be of benefit to the trade in certified seed potatoes. As you know, our potatoes are certified by Government inspectors, and the certification of seed potatoes means that there have been two inspections of the growing crop and then there is an inspection of the tuber when ready for shipment, at which time the certificate of the inspector is attached.

That product finds a market in the United States, eighty per cent. I should say, of our certified seed potatoes being sold in the territory east of the Mississippi and south of the Potomac. Some of it has a market in the New England States. I can see that in the case of a specialized product such as that, control would be of real benefit, in that the product would all be sold through one organization. During the year just past we had some difficulty among the producers of and dealers in certified seed potatoes in Prince Edward Island, and the Legislature a few weeks ago instituted an inquiry into the methods of the dealers and the Co-operative Growers' Association. It was brought out most distinctly that the competition in selling, by the dealers in our own province, had resulted in our people taking twenty to twenty-five cents a bushel less than they would have received had they organized and marketed through one body. From that point of view I think that where there is a specialized product and the market is a distinct market outside of our own country the method proposed in this Bill would be of benefit.