

# Monetary Times

Trade Review and Insurance Chronicle  
of Canada

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## ORGANIZED PROTECTION FOR THE CONSUMER

THE Board of Commerce which was presented to this country last year is now, in so far as active work is concerned, a thing of the past. Its record has been a great disappointment to the people of Canada. If it had even showed how industry should not be controlled some service at least would have been rendered. But so much time was absorbed with questions of the board's jurisdiction, with personal disputes and with petty investigations that nothing of positive value was accomplished.

The events leading up to the organization of the board, the powers conferred upon it and some conclusions regarding its operation were reviewed at length in *The Monetary Times* of June 4th. The chairman, Judge H. A. Robson, of Winnipeg, resigned last February, and the facts made public during the past few weeks make it apparent that he had not intended to occupy the position permanently. The initial handicap of being presided over by a gentleman not permanently identified with it was a thing which militated against the success of the board from the start. The resignation of W. F. O'Connor, vice-chairman, who had always been the spectacular member, took effect on June 30th. Late in the month of June James Murdock, the third member of the board and a prominent labor leader, also resigned, making at the same time rather sensational charges against the former chairman and against the government as a whole for its lack of sympathy and support. Coupled with these personal developments is the decision of the Supreme Court announced on June 1st, in which the justices were so divided as to the powers of the board as to postpone any effective work for an indefinite period.

Three members now constitute the board temporarily: these are W. W. White, formerly secretary, F. A. Acland, deputy minister of labor, and G. A. Dillon. Its existence is only nominal, at a time when the public is far from satisfied that undue profits are not being made in certain industries. The public is usually right, and at the present

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time it is patent that some lines of industry are so highly organized as to make the fixing of prices and of market conditions easily possible. When this stage is reached, government control is the only alternative to public ownership or operation. Economic laws may be relied upon to keep prices at a fair level in some cases, but not in all. Some organization subordinate to the general government is necessary for this purpose, for the government is the only body which protects the consumer against the multitude of organizations in the fields of trade and labor. The board should be reorganized, supplied with adequate technical assistance, and given a fresh start.

## CO-OPERATION OR THE MIDDLEMAN?

"CUT out the middleman" has been one of the outstanding economic slogans of the past few years. Varied efforts have been made to do away with this ubiquitous creature, but he seems to be a virile and prolific species. The principal effort has taken the form of co-operation, and while many co-operative enterprises have succeeded at the start, few have outlived their initial impetus. "The economics of many current suggestions to 'cut out the middleman' may be in error, but their psychological potency is manifestly great," says Maurice H. Wesen, of the University of Nebraska in "The Journal of Political Economy" for June. "Indeed, so great is the appeal of this slogan that many people seem willing to risk even a fundamental change in our economic system if such a change holds out any hope that the present stress may be relieved. No thinking person believes, of course, that a change of such magnitude as is comprehended in the phrase, 'the elimination of the middleman,' could be effected at a single blow. But both those who believe that this suggestion is founded upon sound economic theory and those who fear that it is not so founded are watching with intense interest its rapid spread. The most concrete manifestation of the rise and growth of this idea is to be found in the history of the