

*Tariff Board*

another character? Are you using the latest and most efficient devices? Are you willing to risk the expenditure of large sums of capital for the purpose of making ultimate savings? Millions of dollars were spent by the Canadian Pacific Railway in building the viaduct at Lethbridge, and people asked, how is it going to be worth while to spend millions of dollars to cross this ravine by a viaduct? It was simply a cold-blooded matter of computation. The movement of so many trains per day by the old method meant an expenditure of so many dollars. The rapidity with which that movement could be made by means of a viaduct meant a saving, as compared with the old method, that enabled them to capitalize it and pay interest on the capital involved, together with the sinking fund required to meet that capital expenditure in a given time. In Canada to-day we have some enterprises which can compete with the world in manufacturing. They have not done it in a day. They have done it through the course of years, by the improvement of conditions, by adopting the most modern engineering practice, moderate cost production, and care in the management of their affairs.

The hon. member for Kenora-Rainy River referred to the question of labour and conditions of labour. It is intended that regard shall be had to the conditions of labour. The hon. gentleman also touched upon watered stock, which I conceive to be one of the most dangerous things in this country to-day, and I direct his attention and that of his party to the fact that all the great mergers in this country which have affected the life of the people have taken place under Liberal rule in Canada—every one of them—and there never has been a time when there has been more reason to pause and think than during the last nine years. I am besieged—not literally, but I do receive communications asking why we cannot have investigations into this or that industry where there has been a great watering stock and where securities have been sold to the public under the guise of shares of companies in this country. In 1912, while in my place in the old parliament, I directed attention to a method I thought might be used to accomplish some reforms in that regard. It cannot be done by resolutions; it cannot be done by an endeavour to make political capital in a purely political speech such as that delivered by the hon. member for Kenora-Rainy River a few minutes ago. No; it goes deeper than that. Regard must be had for elementary principles in connection with enterprises of this character—the splitting up of shares, the expanding of capital, the creating of added responsibilities with respect

[Mr. Bennett.]

to those who manage the enterprises and who very often are left holding the bag after paying off the securities. When such conditions arise, as has been found in many countries—others as well as our own—then action must be taken to remedy them.

What has been done in the last nine years to remedy such conditions? Name a single step which was taken—mention even one. When I hear hon. gentlemen opposite suddenly become so solicitous about matters of this kind, I ask, first of all, if they know what they are talking about. I know by their very speeches that they do not. Secondly I ask them: What did you do to remedy the condition? I have a right to ask that question. This government has been in power less than a year and because of that has had very few opportunities to deal with legislation such as that now before us. There is no worry in this country to-day about watered stock except as concerns those who bought it—that is the trouble. I refer to those who found themselves with pieces of paper upon which dividends should be payable, and for which they paid fifty, sixty or seventy cents on the dollar, now to find themselves the possessors of something worth only about five cents. Under what government did they buy? Whose assistance or protection did they have in their transactions? When hon. members talk about these matters let them face the truth and know what they are talking about. I know. I see the fatal results which have followed the course pursued under the aegis of the government which held sway in this house for nine years.

This tariff bill is no make-believe; yet hon. gentlemen opposite cannot understand it. The difficulty with my hon. friends opposite is that they cannot understand anyone making a really sincere attempt to lessen trade difficulties in this country; they cannot understand anything of that nature. Here is a deliberate effort to have reports presented on facts as they are found. Do you mean to tell me that a business which is built up with a capital of \$200,000 or \$300,000 through hard work and toil is to be sold to the public for two or three million dollars? Not under this board.

Mr. POULIOT: Is this to be a blue sky law?

Mr. BENNETT: This is the position in regard to the matter: I submit to the committee and to the house that the details given in the form in which they appear in the bill have been prepared by the draftsman in accordance with the principles govern-