

Hon. Mr. Roebuck: I notice that in section 3 of the bill the word "Canada" is substituted for the words "Dominion of Canada." Is there any significance to be attached to that change?

Hon. Mr. Campbell: I do not think so. "Canada" is shorter, and is thought to be a better trade name.

Hon. Arthur W. Roebuck: Honourable senators, I quite agree with the suggestion of the honourable senator from Toronto (Hon. Mr. Campbell), that this bill should be carefully investigated in committee. It appears to me to be a most useful piece of legislation, and one may well compliment those who have developed it thus far. It may bring about high standards which will maintain and increase the status of Canadian goods in foreign markets. There is, however, a very grave danger connected with this kind of legislation. It seems to place the Dominion of Canada alongside the vendor of commodities, and to make the government and the nation responsible for the quality of his goods. When the standard is abused in those circumstances the matter is more serious to Canada and her reputation abroad than where a private seller stands alone behind his goods.

Hon. Mr. Haig: Hear, hear.

Hon. Mr. Roebuck: I have been consistently opposed to the government entering into business deals, making monopolies of certain trades, and selling on the one hand and buying on the other for distribution among the people. One reason for my opposition is that when disagreements arise, as they so often do between parties to commercial transactions, the matter then attains a national importance. It is no longer a quarrel between a buyer and a seller, which can be decided in the courts; it becomes an international question, with both sides taking their revenge, not by going to court, but rather by black-guarding one another from Dan to Beer-sheba. That is the difficulty we encounter when we make the government the dealer.

I agree that this measure is different from some others, but it savours of placing the Dominion of Canada in the position of guarantor of the goods of some private producer or trading company. I would warn those who undertake the administration of this Act that they must be vigilant, lest damage be done to Canada. I believe that a great deal of checking up will be necessary to prevent some of the difficulties to which I refer.

Hon. J. W. de B. Farris: Honourable senators, I have not studied this proposed legislation, but my honourable friend from Toronto-Trinity (Hon. Mr. Roebuck) has

raised a question which makes me realize that there are certain provisions in the bill which require serious consideration. Having listened to what the honourable member has just said, it appears to me that there are two distinct matters which require recognition before we decide whether what we are doing is right or wrong.

I refer first to paragraph (b), subsection (1), of section 4, which I read along with paragraph (b) of section 5.

Paragraph (b) of subsection (1) of section 4 is as follows:

(b) prescribing the terms and conditions on which the national trade mark may be applied to commodities or packages or containers thereof;

That means that, once a national trade mark has been prescribed, it has the endorsement of the Dominion government and can be advertised as such.

Then look at section 5:

The Governor in Council may make regulations...

(b) prescribing the implied warranties that marking or labelling in accordance with a regulation made under this section shall represent;

The converse of that is that, once those warranties have been prescribed, and the vendor or manufacturer has conformed thereto, he is entitled also to broadcast to the world that he has conformed to the requirements of the law under the dominion government regulations. That may be highly advantageous and desirable, but in assuming these regulatory functions the Government of Canada is taking on a grave responsibility, and I think that in committee we must check very carefully to ascertain the extent to which the department has realized the magnitude of the task it has undertaken.

Hon. Mr. Roebuck: And we should inquire as to the machinery it has for its purpose.

Hon. Mr. Farris: Yes, how far it has the machinery, and is prepared to take the responsibility of permitting vendors of commodities to give purchasers the guarantee that the Dominion Government is behind the products which they produce.

Another question which is raised by this bill, and one which—again speaking rather "off the bat"—would raise doubt, I believe, in the mind of any lawyer, arises under paragraph (a) of section 5:

The Governor in Council may make regulations...

(a) prescribing the form and manner in which any commodity designated by him or any package or container thereof shall be marked or labelled, or described in advertising, in order to indicate the material content, quality, size, quantity or properties of such commodity, or to indicate whether or not the commodity conforms to a prescribed standard or prescribed specification

The question to my mind is, what section of the British North America Act confers this authority? Is it section 91, dealing with