

that time we pointed out,—and many of those arguments have been repeated during the present session with additional arguments by the member for Portage la Prairie (Mr. Leader)—that the continued increase in transportation costs as applied to the live stock industry, has had a paralyzing and crushing effect upon that industry, and that if the industry was to survive steps would inevitably have to be taken to deal with the situation thus created. I shall refer to that later.

As I see it, this question resolves itself into two definite parts. First of all there is the question which we must ask ourselves and answer conclusively: Is there a combine?—and when I use that word I mean it in the commonly accepted sense; is there a combine having for its purpose the unreasonable increase of transportation rates to an excessive height, yielding exorbitant profits, and having for its object also a discrimination as between one port and another, one country and another, as well as a restraining of legitimate trade? That is the first question which we must consider and answer. The second question is this: If these conditions are ascertained to prevail, is the method proposed by the government of dealing with the situation sound in principle and adequate in the performance of its functions?

As to the combine itself and whether it exists, this is a question which has concerned us for some time. We have had during the last few years investigation after investigation; we have gone into the subject through commissions and parliamentary committees, and two or three facts at least are definitely established. The first fact which can be considered as having been absolutely proved, inasmuch as the parties concerned have acknowledged it, is that a conference does exist. I am somewhat at a loss at times to say where a conference ends and a combine begins, and I find myself in the same situation as confronted us when we heard eloquent gentlemen in this House discussing the line of demarcation between a convention and a treaty. That question seemed to me, as does this one, to be purely a matter of degree; it is only a question of degree as to how far the conference was in fact a conference and not a combine. The conference taken for granted, what are its legitimate objectives? It may have for its objective the stabilization of rates at a fair and equitable level. It may have for its objective the giving through co-operation of better service. In a word, it may have for its objective the improvement of service, with an increase of profit to itself without inflicting hardship on any of its patrons, by a

[Mr. Speakman.]

system of co-operation which will eliminate unnecessary internal competition. That may be. And I do not think that any member of this House, more particularly the members in this corner of the House, who believe absolutely in the co-operative pool system, can take exception to such a condition. I may extend the same principle to our labour friends, who believe in labour organizations for the purpose of ensuring that labour may deal collectively and not individually with the questions confronting it. The same thing applies to our pools. All commercial pools have for their objective the stabilization of prices with an increase of profit to the members of the pool, but without increase in price to the consumer of their goods, and this by means of co-operative methods that eliminate internal competition. That is the purpose of such organizations, as I see it. So that no member in this corner of the House can very well take exception to a conference of any nature so long as its ends are legitimate. The question, however, is whether the conference in this instance operated within legitimate bounds or exceeded their rights. Here is the peculiar danger of a conference of any kind, which must be borne in mind and guarded against at all times; the same weapon and machinery which can improve a service and lower costs can also be used just as effectively for oppressing the people with whom business is done. That is what we must guard against. In the case of the pools I have mentioned, however, that danger does not at present exist, because they deal with such a small part of the world's produce that it is impossible for them to create a monopoly in that direction; and world conditions themselves would automatically prevent these organizations from assuming such an attitude.

Mr. MEIGHEN: Does the hon. gentleman recall that the head of the largest pool, Mr. Stewart, made the claim that the control of the western crop had a measurable effect in appreciating the Canadian price and the general level of world wheat prices?

Mr. SPEAKMAN: I might point out that a government monopoly of that nature, which could enter into negotiations with a buying agency in Europe, stands in a very different position from that of a co-operative pool, which must market its goods in competition with all others.

Mr. MEIGHEN: Will the hon. gentleman say there is no difference between the two? Is there not now control of the western crop, which did not exist before?