

Mr. LANCASTER. Does the hon. minister say that the tariff excludes the criminal law?

Mr. PATERSON. No, but my hon. friend points out that the only recourse is the criminal law. Why then did he become a party to putting it in the tariff law?

Mr. SPROULE. I took no part in putting that in the tariff law at all.

Mr. PATERSON. Yes, you did.

Mr. SPROULE. On the contrary, I brought up the same question years ago with regard to the leather combine, and did my best to get the government to deal with it under the Criminal Code, but they insisted on putting in this provision in the tariff law. I was never in favour of this provision because I thought the criminal code was much more effective in stamping out a combine than this provision could be. But because the government always put up the claim that they could not enforce the criminal law, but that its enforcement was in the hands of the provincial attorney general, they deluded the people by inserting this provision, which they never acted on except in the case of the paper combine.

Mr. PATERSON. My hon. friend may say he was not here and was not a party to it, but the hon. member for North Toronto (Mr. Foster), who is always in his seat attending to business—as members ought to be—was here and was a party to this, and if the hon. gentleman neglects his business and is not in the House when provisions of this kind come up, we are not to blame.

Mr. FOSTER. I do not think I was here when that went through, but I suppose I have to take my responsibility all the same. But I understood the Minister of Finance to say that the Governor in Council was forced either to admit the articles free of duty or so reduce the duty that the combine would cease.

Mr. FIELDING. If they proceed under that section first.

Mr. FOSTER. That is not an answer because they have their choice. They may or may not proceed under that section and are not obliged to do it. Just take the principle of the thing. If you have a choice as to punishing that way or not punishing that way, and there is some other method by which you can punish sufficiently to break up the combine—if it is a combine that is aimed at—and if the government choose to take this method rather than any other, and in choosing this method took one which did not hurt the combinesters to any extent, but did hurt the industry, then what would be the effect? Take for instance the great iron industry, for the development of which you are giving large bounties and duties, suppose the two or three great iron industries combine to unduly raise the price,

Mr. PATERSON.

would the government take it as a principle to be acted upon in every case, that the only method by which they would punish the combinesters would be to make the imported goods free and so destroy the industry? You have to go to the logical extent in order to prove the absurdity of the course proposed. Carry it out to its logical conclusion, and your leather industry and all the great industries of the country could be put upon the free list and the government would have the satisfaction of punishing a mere bagatelle, as far as numbers go, but would also have the satisfaction—if you call it such—of destroying all the industries of the country. This is the scientific remedy or penalty. You punish a handful and do very little harm to the combinesters, but you ruin the thousands who are employed in those industries. There ought to be and is another method by which a combine could be broken up without destroying the industry, and a mighty government like the one to which my almighty friend—as far as his vigour of denunciation and voice are concerned—belongs ought to be able to devise some method of punishing the real criminals rather than thousands of innocent labouring men.

Mr. FIELDING. If all those engaged in the iron or any other industry were to combine for the purpose of unduly enhancing prices, and the existence of that combine was established by a judicial investigation such as is provided in this statute, then, in the interests of the consumers, the government would be perfectly justified and required, under that section, either to put the articles in question on the free list or reduce the duties on them to such an extent as to give the public the benefit of competition.

Mr. FOWLER. Does the duty exist only for the benefit of the manufacturer and not also for the benefit of the labourers? You injure the labourers if you destroy the industry. If you destroy the business of manufacturing iron and steel, you ruin the labourers who outnumber the proprietors one hundred to one. It is the labouring men whom you are injuring. These are the people the government is injuring. Why? Simply because a few individuals, maybe half a dozen, maybe fifty, combine together to unduly enhance the price, then you strike at the very industry itself and working at that industry. The minister seems to have misunderstood the point we were working on. Are you going to kill the whole iron and steel industry because a few steel magnates have combined to enhance the price? Surely the minister is not going to have it go forth that that is the policy of the government.

Mr. FIELDING. I am quite willing to have it go forward to the country that we have to deal in this case with the man who fixes the price of the article.