

26. The board of commerce. Your committee in their interim report recommended the constitution of a board of commerce, which would continue and extend the work done not only by this committee but by the various controls which the government have put into operation during the war. The publicity given to the investigations of such a board will have a steadying effect. Its powers of regulation applied to trade practices and agreements will speed reform, and large questions of policy where trade tends to combinations and restrictions may be submitted to the board for advisory action.

Cooperation was the next recommendation. Then, "specific remedies for these conditions can only be expressed in general terms." The report goes on to give further details.

What happened? On the strength of that report the then Prime Minister introduced two resolutions to this House of Commons which, in due course, were followed by two bills. Those two bills were given first reading in this house, second reading in this house and third reading in this house, were sent to the Senate and became law. At page 488, of the Journals of the House of Commons for 1919 these words are to be found:

By leave of the house Mr. Meighen obtained leave to introduce the following bills, which were read the first time, and ordered for a second reading at the next sitting of the house, viz.:—

Bill No. 166, an act to constitute a board of commerce for Canada.

Bill No. 167, an act concerning the investigation and restraint of combines, monopolies, trusts and mergers and the withholding and enhancement of the price of commodities.

I shall not follow the references in detail. It will be observed that on the recommendation of the select committee of the House of Commons, of which the hon. member who has just taken his seat was a member, so far as I can find the report was made unanimous. This is a report of a committee considered and approved by both sides of the house. The essential facts in the report may be summarized in two recommendations (1) that a board of commerce with large powers shall be created, and (2) that a statute dealing with monopolies and combines was to be enacted by this parliament.

On the strength of those recommendations Mr. Meighen, the then Prime Minister, introduced these bills to the House of Commons, and those who are desirous of reading them will find them in the statutes for that year. They are extremely comprehensive; they are extremely drastic. They attempt to do everything that has been suggested here this afternoon may be done—everything.

As I said at the threshold of my observations this country has a constitution; it is [Mr. Bennett.]

a federal union. Those two statutes in due course went before the privy council, and the privy council decided both of them were bad. Those are the facts. That constitution, not having been changed, meantime the law of this country as it affects these matters is to be found in those two cases. Therefore a government must do one of two things, it must invite parliament to pass a statute which it knows is illegal and which will be set aside at the first opportunity, or it must ensure that there will be some amendment to the constitution in order to render constitutional that which has been declared unconstitutional.

Now just let us for a moment look at it because those two cases have had a tremendous effect upon certain things that I said and that I believed in then and still believe in to-day. I have not changed my mind, but I am going to point out what these cases mean. There is the board of commerce case. I am not going to bother the House of Commons this afternoon to read the decision of the privy council with respect to that case. But there was a court set up by this parliament with all the regulatory powers that have been suggested this afternoon should be vested in some board created by this parliament. The privy council says you cannot do that thing. There was also the statute against combines and monopolies, which also was set aside. Fortunately this later statute as it was developed in more recent years was held to be *intra vires* by the privy council, and it is unnecessary for me to do more than to say that part of the effort made in 1919 has been accomplished by the effort that has been made successfully in the present combines act.

Those being the facts, let us look at this matter fairly. It is no good to appeal to prejudice; it is no good to inveigh in passionate terms with respect to evils, if this tribunal cannot deal with those evils. All I can say is that there are certain evils that I believed could be dealt with, and I referred to them in certain radio addresses, and I did say that I would endeavour to implement the recommendations of the price spreads commission, but I of course believed that the price spreads commission would at least recommend legislation that was *intra vires* of this parliament. I believed that it would at least recommend legislation that it knew could be dealt with by this parliament. I believed that it would at least take some cognizance of the report made in 1919 and of the two statutes which the Prime Minister of that day introduced to implement it and which were declared in due course to be bad, invalid, and *ultra vires*, and I