

Under the existing law the Minister of Trade and Commerce has the power to regulate the manner of using the national trade mark, but no power to prescribe the terms and conditions of its use. The Governor in Council has that power under the present law, but has no authority over the national trade mark itself. Thus there has been a divided authority, which did not work out well. This bill empowers the Governor in Council to make regulations prescribing commodity standards.

At present the right to use the national trade mark is not restricted to commodities for which standards or specifications have been prescribed, but this bill provides that the use of the mark shall be limited to commodities which comply with the regulations as to standards, the purpose being to give the mark some clear significance and value. Also, under the present law, once the right to use the trade mark had been granted and the manner of applying it had been prescribed, there was no provision for cancelling that right, even though it had been abused. The bill remedies this situation by providing that in the event of failure to comply with the regulations the right to use the mark may be cancelled.

Hon. Mr. Farris: I should like to ask my honourable friend if the bill would apply to oleomargarine.

Hon. Mr. Campbell: I asked that question when I was being informed about the bill, and I was told that it was not intended that the measure should apply to oleomargarine. I suppose, however, that under the law regulations could be passed to make sure that oleomargarine was properly labelled, so that the public would not be deceived.

Hon. Mr. Hayden: Only if the national trade mark "Canada Standard" were used on the oleomargarine. Is that not so?

Hon. Mr. Campbell: There is provision in the bill for labelling, to ensure that true statements are made with respect to ingredients, weight, quality and so forth.

Hon. Mr. Farris: And colour?

Hon. Mr. Campbell: There is nothing about colour. For the purpose of preventing public deception—this may apply to oleomargarine as well—the Governor in Council has had authority to prescribe the wording appearing on the commodity or the package to describe the material content. This power is considered inadequate, and the bill would amplify it by enabling the Governor in Council to provide that commodities and containers shall be marked in such a way as to indicate not only the material content but the quality, size, quantity and properties of the com-

modity. To date the labelling regulations, so far as the department is concerned, have been confined to the fur garments to which I have referred. But there has been considerable demand from manufacturers for the adoption of regulations requiring an accurate representation of articles offered for sale.

I do not think I need take more time to discuss the details of the bill. Although the subject is not new, it is an important piece of legislation. Its purpose is to make workable the provisions of the law now in force, and to make sure that those provisions are not *ultra vires*.

Hon. Mr. Hayden: Would my friend permit a question? Is it intended that the provisions of the bill should apply only to cases where the national trade mark, "Canada Standard" is being used? For instance, section 5 would appear to be broader in scope than section 4, which is limited by regulations relating to the national trade mark. Is it intended that section 5 be so limited?

Hon. Mr. Campbell: The bill, as I understand it, falls into two parts. The first has to do with the national trade mark, for which regulations will be passed providing the conditions under which it may be used. The second part relates to further regulations which will be passed to provide for proper labelling of goods, in order to prevent deception of the public. There are several pieces of legislation now in existence, such as the Food and Drug Act, under which the federal parliament has passed regulations requiring a standard of labelling and description of contents.

The bill requires careful study and consideration. Therefore, when it receives second reading, I intend to move that it be referred to the Standing Committee on Canadian Trade Relations.

Hon. Mr. Crerar: May I ask my honourable friend whether this requirement as to the use of the national trade mark is to be mandatory in character? For example, would a sawmill operator manufacturing and selling lumber for domestic and export trade be required by this legislation to attach the Canada Standard mark to his product?

Hon. Mr. Campbell: No. I thought I had made it clear that the use of the national trade mark was purely optional, but that once a manufacturer had decided to use it he must then comply with the regulations. I also said that the proposed legislation seems to go further with respect to certain other conditions; but they do not relate to the use of the trade mark. There are also provisions in the bill which will require careful study to avoid conflict with provincial rights or interference with present trade practice.