

Mr. GUILLET. I think that this House will certainly not approve of relegating this important matter to the Committee of Banking and Commerce in view of the fact that we have already the evidence of some 65 witnesses who have given their sworn testimony before a Committee of this House in reference to the operation of these combinations. I do not propose to detain the House at this late hour with any lengthened remarks on this important subject. It is a matter which has excited the interest of the entire people throughout this Dominion, for all classes and sections feel that they are being oppressed by unreasonable exactions from the operation of these combinations. The farmer, the mechanic, the laborer, and in fact all the toilers by hand or brain and even most of our merchants and manufacturers have denounced those combinations. It must be remembered that there are very few indeed who are identified with these combinations and that the opponents of this Bill are only those who are immediately interested in upholding the combinations or who belong to or profit by them. There is no opposition to this Bill from any other source and for the very simple reason that the investigations of the Committee have thrown such a flood of light upon the operations of these combinations show that those interested in the combines have substantial reasons for opposing the passing of this law. The reason for the opposition to this Bill from those interested in the combines may be expressed in the old couplet :

"No rogue e'er felt the halter draw
With good opinion of the law."

It is charged that those combinations are due entirely to the National Policy, but that phase of the subject has been very satisfactorily dealt with by the mover of this Bill, and I need not dwell upon it to any considerable extent. Certainly if the National Policy has to any extent been responsible for encouraging combinations it must get the credit of having protected the country from similar and worse foreign combinations which had we not the National Policy would have ruthlessly laid waste our industries. Those combinations are not confined to Canada. They are more powerful and more oppressive in the United States than they are here, and we even find that they have found their way into free trade England. We know that in England now, they have the salt combine and the tin combine and the syndicates in steel, iron and copper, and we know that those combinations are now felt to be most oppressive in England. I have an extract here from the *London Grocer* bearing on this matter which I will read. It is as follows:—

"Since the salt union came into existence the prices of all descriptions of salt have been steadily raised until common salt, which was selling at 3s. to 5s. per ton is now quoted at 7s to 10s 6d per ton. The quotations for lump and other qualities have also been increased by about 100 per cent., while some of the finer qualities have been raised 125 per cent."

It is certain that these combinations which exist in foreign countries would have found their way here and had a disastrous effect in our own. It will be found on investigation that there are many articles of English manufacture imported, such as pickles, Nestlé's Food, blues of various kinds and a large variety of grocers' sundries, which are placed under agreements, and which must be sold at fixed prices by the merchant who deals in them, owing to the foreign manufacturers having imposed restrictions on their agents. So that it is not only in coal, in oatmeal, which is not to any considerable extent manufactured under a protective policy, that we have found combinations, and they would have existed even if there had been no National Policy. The people have adopted the National Policy, however, on the good faith and understanding that there should be no restriction on competition. They were assured that the competition that existed in the country would bring reasonable prices, and that condition of things was realised until these combinations were formed. There-

Mr. WALLACE.

fore, I say that in order to keep good faith with the country, they must be suppressed in order that the National Policy may do its proper work. It has been shown that the effect of competition in various lines has been to bring the price down to a level below that at which goods could be imported if there was no protective policy in the country. We find that it is only in a few lines that there are combinations; the vast majority of manufacturers in the country, including the iron and woollen manufacturers, have not combined. Those who have attempted to justify these combinations have claimed that there has been excessive competition. There was little proof of this before the committee of investigation. It was shown that there had been no excessive competition, which had been alleged on behalf of the sugar combination, as having driven the dealers in sugar to combine together in order to protect themselves from competition that was demoralising the trade. The investigation showed that the condition of things against which they complained had existed many years; there had been no demoralisation, no bankruptcy, no failures; and I have extracted the evidence of Mr. Ince, a member of the firm of Perkins & Ince, of Toronto, who came to give evidence on behalf of the Grocers' Guild, which had formed the sugar combination. He was asked:

"Q. Do you know of any failures in Toronto within the last ten years? A. I think there is one I think Bryan, Ewart & Murray's has occurred within ten years, and there have been others."

"Q. Within the last five years? A. I cannot remember any, I am happy to say. I am very much pleased to say that the grocery trade of Toronto is in a good position, which I think is due to care, and I am happy to say there have been very few failures."

The sugar combination at that time was but a year old; and yet in the previous five years there had not been one failure. I think that is most satisfactory, showing a healthy condition of the grocery trade at that time, and the condition of things then was not different from what it had been for fifteen years. The fact was that the merchants were prosperous, but they were not growing rich fast enough to suit themselves, and they made a combination with the view, as they admitted, of raising prices; and the effect has been to raise prices considerably, and the people have had to pay them; the money has had to come out of the people's pockets; and this Act is intended to suppress the combinations of these gentlemen who have had their hands in the people's pockets so long, and to compel them to withdraw their hands. Competition safeguards the prosperity of the country; it is the life of trade; and all classes have to meet it. The farmers have to meet it from the immigrants who are coming in. They go into the unsettled portions of the North-West, and you find an increased production of the various products of the farmers, and they have to meet the competition of that production. Then, in all kinds of manufactures and trades, you will find the same thing. The carriage maker or the woollen man who is manufacturing on a small scale has to compete at a great disadvantage with those who manufacture on a large scale. The same rule applies to the tinner, the clothier, the blacksmith, and people in all lines of business; they have to submit to competition, they have to toil harder, and to satisfy themselves with fewer of the comforts of life. Why, then, should there be combinations in a few lines of manufacture to oppress others? I say it is a condition essential to the prosperity of the country that there should be free competition, and no monopoly to compel people to pay excessive prices. The effect of such a state of things would be to impoverish the masses and to drive people from the country. But we are told that free trade will cure it all. But it has been shown that these exactions and combinations occur in free trade countries; it has been shown that in salt, in steel and in copper they have raised prices enormously. It is preferable to have the combinations in our own country; we can deal with them here; we cannot deal with these foreign combinations; but we can