

THE BOARD OF COMMERCE ACT

THE closing days of the parliamentary session, which has just ended, were crowded by a rush of government business. Among the important bills put through were the amendment to the Insurance Act, 1917; the Business Profits War Tax Amendment Bill; the Income War Tax Act, 1917, Amendment Bill; the Customs Tariff Act Amendment; the Pension Act Amendment; and the Board of Commerce Act.

The last mentioned took the form of two bills. The one was the bill providing for the establishment of the board itself, and the other was the Combines and Fair Prices Act, which it was to administer. This legislation followed upon the recommendations presented by the Cost of Living Committee, which had already been accepted by the House. In introducing the bill for its second reading, Hon. Arthur Meighen outlined its purpose as follows:—

"The constitution of the board will be almost wholly along the lines of the constitution of the Board of Railway Commissioners for Canada. The tenure of office, the security of tenure, and the powers of the various members will be parallel to those that have so long ruled in the Board of Railway Commissioners. The number of members of the board, however, is much more restricted, being three instead of six. The exceptional powers given to the chairman, the exceptional qualifications demanded of him are akin, indeed, in every respect, alike to those of the chairman of the Board of Railway Commissioners. The purpose of the board will be to administer the Combines and Fair Prices Act, the terms of which are already before the House, the bill having been distributed yesterday morning, and as I stated, the board will have other and more general powers in relation to control, within the limits of the bill, of prices in Canada. The salaries to be paid to the board are not specified in the bill as presented. Proposals will be made in committee after the views of honorable members have been obtained as to recommendations in that regard. The head office of the board is fixed for the city of Ottawa, but the jurisdiction of the board, of course, is equal throughout Canada.

"The main question that will be in the minds of honorable members will be as to the basis upon which the government seeks to exercise control in matters relating wholly to civil rights and the executive powers of the board in that regard. The only method by which the federal authorities can either act or legislate with regard to questions that are fundamentally questions of civil rights is by the establishment of offences and by providing prohibition of the commission of such offences. That is the method adopted here. While civil rights appertain to the provinces alone in so far as civil remedies are concerned, indeed, appertain so exclusively to them that no legislation on our part, however well intended, would be effectual at law; nevertheless, for the reason that the powers of one province to act effectually are, in a large degree, hampered by the decision of another province not to act in the same direction, there is, as a result, a very marked reluctance on the part of individual provinces to place on their statute books legislation dealing with the subject, and the call is very general—however just it may be is another question—and very persistent that the federal authorities, having jurisdiction throughout the Dominion, should, within the limits of such jurisdiction that they have, do something to control what is commonly known as profiteering. Consequently, by the Combines and Fair Prices Bill, certain rules and principles are laid down, or to speak more definitely, the Board of Commerce is empowered to establish rules and principles and prohibitions, the violation of which, once they are made the order of the board, will constitute an offence and be punishable as such. The federal authorities have power to constitute offences and to provide for their prohibition and punishment, and exercising that power, the Combines and Fair Prices Act is submitted to parliament as the best and most reasonable and effectual means of putting into effect, in the only way in which it can be put into effect, the power vested in the federal parliament."

A SUCCESSFUL FINANCIAL LEADER

THE announcement that the resignation of Sir Thomas White, Canadian Minister of Finance, is now in the hands of the Premier is being received with considerable regret in financial circles. Not only has he been one of the most successful ministers in the experience of Canadian government, but during the period since he took office in 1911 until the present, the Department of Finance has developed into one of outstanding importance. Sir Thomas White's regime has included the floating of five huge domestic war loans, exceeding in amount by many times the whole national debt in 1914. In addition, there has been the inauguration of an income tax, a business profits tax and other measures dealing with currency.

THE BRITISH WAR LOAN

THE simultaneous offering of two distinct varieties of government war bonds by the British government, is somewhat of an innovation in war finance. The one is the four per cent. funding loan which is issued at 80 and is redeemable not later than 1990 with an option to the government of redeeming it on or after 1960. The four per cent. Victory bonds offered at 85 are redeemable by drawings on and after September 1st, 1920.

The object is, of course, that those who desire a long term investment can purchase the funding loan while those who prefer to pay £5 extra can have one of the Victory bonds with the chance that it will be redeemed at par any time on or after September 1st, 1920. In both cases a sinking fund is provided.

INTER-IMPERIAL TRADE

THE feeling that direct trade between different parts of the British Empire should be encouraged, has been growing for over twenty-five years, and received practical recognition by the adoption in Canada, in 1896, of an imperial preference. Such a preference has since been put into force by other British colonies and there has been an agitation that the United Kingdom should erect a moderate custom's tariff in order that a corresponding preference should be granted to the colonies.

The British government is striving to take full advantage of these opportunities, as the appointment of overseas trade commissioners in the different parts of the British Empire would indicate. The report on the trade of Canada and Newfoundland for 1918, presented to the British government by commissioners in Canada will be a convenient basis for considering the possibilities in the Canadian market. Among the interesting and valuable features of the report is the section giving suggestions for United Kingdom manufacturers and exporters to Ontario; this is part of the special report on trade in Ontario presented by Mr. F. W. Field.

Regarding the practical results so far achieved the report says: "It is a matter of some difficulty to trace actual results, so far as orders received by United Kingdom firms are concerned, from the work of this office. Several important orders which would have been secured in this way were lost entirely on account of war conditions. Orders for spinning machinery were obtained, and at a board of trade meeting in Ontario town, addressed by the Trade Commissioner, the representative of a British firm stated during the discussion which followed, that as a result of information gathered from this office, he had been able to obtain an order for his principals valued at £7,000. It has also been possible in some cases to divert trade-channels so that the business has been transacted between this market and another point in the British Empire, rather than between Ontario and a foreign point; or between Ontario and a British export house abroad rather than between this province and a foreign export house."