

# Trade Regulations and Restrictions by Order-in-Council must be Abolished

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In view of the fact that the Government Order-in-Council No. 2461, which was passed on October 8th, 1918, and which amended a similar Order-in-Council, No. 2777, passed on the 10th and 20th November, 1916, relates to the operations of the Retail Trade throughout Canada, as well as to manufacturers and wholesalers, it will, no doubt, be of interest to the trade and to the public to know some of the salient points of the said Order, together with some comments upon the same.

The above Order, as far as necessities of life are concerned, repeals Section 498 of the Criminal Code, which was placed upon the Dominion Statutes some years ago by the members of the Commons and the Senate, and which has always contained some very contentious and complicated clauses. It, however, contained some safeguarding clauses which have been entirely brushed aside in the new Order-in-Council, and new clauses have been introduced that are not only absolutely unfair, but which are also unworkable.

On the face of the Order-in-Council, it can be seen at a glance that those who conceived the idea had very little if any, knowledge of the many great commercial problems that those who have been, or are practically engaged in trade, are familiar with.

The object to be reached by the Order, are therefore, dense and clouded, and the legal drafting is fully in keeping with the objects. It would be impossible for any lay mind to take up the Order and explain its clause by clause, as the objects sought are surrounded by so many exemptions and contradictions that if by any chance its operations should entangle any person or company, and they should find themselves before the Supreme Court, the Judges could never give a clear ruling on the Order, but they would be compelled, if they did not dismiss the case, to base their judgment on the evidence in the case presented to them, rather than on the Order itself, as we are quite certain that its complications and contradictions would confuse and mystify even that learned body.

The Order starts out in the usual way, and defines the meaning of the word "Council," "Minister," "Necessary of Life," "Municipality" and "Person." Its operations are placed under the Minister of Labour, but for what reason it does not explain. It then sets forth some outwardly very drastic clauses, which to the uninitiated, would look as though those who drafted it were so thoroughly in earnest to trap all evil doers, and protect the "general public"—whatever that may mean—that the drafters were inspired with the highest of motives for the public weal. To those who have not had an opportunity of reading these famous clauses, which also appeared only in somewhat modified form in the old Act, we take the liberty of quoting them:

"(2) (1) No person shall conspire, combine, agree, or arrange with any other person

(a) to limit the facilities for transporting, producing, manufacturing, supplying, storing or dealing in any necessary of life; or

(b) to restrain or injure trade or commerce in relation to any necessary of life; or

(c) to prevent, limit or lessen the manufacture or production of any necessary of life, or to enhance or maintain the price thereof; or

(d) to prevent or lessen competition in the production, manufacture, purchase, barter, sale, transportation, insurance, or supply of any necessary of life."

If these were the only clauses in the famous Order, we might well stop and ask ourselves, "What is there left for us to do? How can we do any business of any kind without 'agreeing,' 'limiting,' and, if necessary, 'enhancing,' 'arranging,' 'maintaining,' 'preventing,' 'dealing,' etc.?"

On the face of it, it certainly looks like a very serious undertaking by those who framed it up, but upon close observation it is the most beautifully camouflaged piece of legislation that has ever been handed out to the public, and we will not be at all surprised if those who are capable of exhibiting it in its true light before the Senate and the House of Commons, will present it effectively when the proper time comes, and, if they do, it will certainly make an interesting subject. Any legislation that is framed up to attempt to satisfy what is often termed

the "public demand," but which is really done for the purpose of "vote catching," usually ends in disaster to those who framed it up, as well as to those to whom it was made to apply.

It requires no great commercial ability to understand that the foundation for the price of all articles that are manufactured or produced is based on the value of labour. Capital is merely "accumulated industry" or the tools which labour uses. If the price of labour goes up raw material must go up, and if raw material and labour advance the article produced must advance, and the result is that the manufacturer must charge more, and consequently the wholesaler and the retailer must charge more, all of which must come out of the consumer in the end. It must always be remembered that the service rendered by the distributor either retail or wholesale, is as equally necessary and valuable as the service rendered by the labouring man or the manufacturer or producer. Notwithstanding these simple facts, those who framed this famous Order allowed the following clause, which was put in the old Act possibly for political purposes, to remain in the Order:

"(2) Nothing in this section shall be construed to apply to combinations of workmen, or employees for their own reasonable protection as such workmen or employees."

The reason for its insertion is self-evident, but its justification cannot possibly be defended by any person whose intentions were fair and honest, and we feel quite sure that there is not one labour union in Canada, or an officer of a labour union in Canada, who would defend class legislation of this character. There is no doubt whatever that the officers of the labour unions could see the absurdity of the whole measure, and they asked to be left out of it, as they knew that it would only cause trouble and confusion. We compliment them upon their ability to escape from the entanglements into which they would have become involved had they been made a party to legislation of this character.

In simple English, it means that workmen of all sorts are allowed to meet, agree, combine, conspire or arrange among themselves or with any other person or corporation to increase prices, or strike or demand anything they want, but if those who manufacture or distribute their product do the same thing they can be fined "not exceeding five thousand dollars," or be imprisoned for a term "not exceeding two years." And all this is done in Canada, the land of the brave and the free.

Not being satisfied to exempt workmen or combinations of workmen, the framers of this wonderful piece of legislation finally discovered that there was another important class in the community which is just beginning to make itself felt—the farmers and the gardeners—and after inserting Clause (2), which reads as follows:

"(2) Every person who holds or offers for sale, or sells or provides or furnishes for consumption at a price, whether upon the premises which he occupies or not, any necessary of life, shall sell it or provide or furnish the same for consumption as aforesaid, at a price not higher than is reasonable and just,"

They then insert the following:

(3) Provided, however, that this section shall not apply or extend to any accumulating or withholding by any farmer, gardener, or other person, of the products of any farm, garden, or other land cultivated by him;"

Remember, these two clauses do not appear in the old Act, as the only exemptions in the old Act are given to labour unions, and this Order is supposed to give those who administer the Act wider powers during the war so that they can protect the public more fully than they were protected.

Having, therefore, exempted the working men and labour unions, and the farmers and market gardeners—the only persons to whom it applies are the retailers, the wholesalers and the manufacturers. It could not have been intended for the professional classes, as the medical men held a meeting a few months ago, and they combined and agreed among themselves to increase their professional fees, and by unanimous consent they did so, notwithstanding that their class is not mentioned as one that is exempted.

As another example, the legal profession of Ontario, through their Association, waited upon the Premier of that Province, the Honourable W. H. Hearst, according to the press reports, and stated that they were unanimously agreed among themselves that they were underpaid and that they required more money. Their request was considered and the Government of the Province of Ontario, mark you, consented to their demands, and up went their prices twenty per cent, notwithstanding this famous Order.

A short time ago the newspapers throughout Canada, with few exceptions, found that they were losing money. They met and considered their troubles, and they ended them very rapidly by increasing the price of their papers one hundred per cent, and some two hundred per cent. We have heard of no prosecutions, nor are we likely to.

The doctors, the lawyers, the newspaper proprietors, the farmers, the gardeners and the working men are exempt from the law, but if the retail merchant is suspected of even discussing the advisability of getting more than cost for selling milk, bread, butter or other perishable necessities, as well as gasoline, he is pounced upon and dragged before a special "Fair Price Committee," who are not required to have any special knowledge whatever of the retail trade, or the many difficulties that surround every retail merchant in Canada at the present time.

The Fair Price Committee consists of two or more officers of the municipality, and they are to be appointed by the Municipal Council. Their names must be submitted to the Minister of Labour. The Council must then instruct them as to what article they want the said Committee to investigate, and this implies that the said Municipal Council must have evidence beforehand as to the reason why any retail merchant or other person should be brought up and ordered to be publicly examined.

In our opinion, we consider that in order to be perfectly fair, the Municipal Council of any municipality should be prepared to not only pay the expenses of all those whom they order up for examination, but in the event of any charge being made against a retail merchant, and it proves to be false, the said Council should be prepared to reimburse the retail merchant, for not only the loss of his time, but also for the loss and injury to his reputation. No provision is made for this in the case of a retail merchant, notwithstanding that other classes have been exempted.

The camouflage, however, is not yet complete. If the "Fair Price Committee" suspects that any manufacturer has raised the price of his commodities through combination with his fellow manufacturers, or otherwise, and he happens to live outside of the municipality in which the "Fair Price Committee" have jurisdiction, the manufacturer cannot be compelled to appear and give evidence. Wholesale grocers and wholesale produce merchants living outside of the municipality are also beyond the control of the "Fair Price Committee," but retail merchants cannot escape.

Can anyone consider legislation of this discriminatory character either wise or fair, and is it not a sad reflection upon the ability of Canadians, who should be anxious to show to the world the wisdom of the legislation they enact? It is quite true that legislation of the above character might appear upon the Statute Books of the United States, or in some foreign countries, but that is no reason why it should appear upon the Statute Books or in Orders-in-Council, in Canada, and we sincerely hope that it will soon be removed, as it is certainly unworthy of having a place on the records of the Dominion.

Not content with amending the old Act, Section 498, but whether designedly or not, the following words have been inserted into this famous Order, "or maintain the price thereof."

In simple English, this means that no manufacturer can now sell his goods on the price maintenance or re-sale plan; if so, he will immediately come under the provisions of this Order and be liable to the penalties attached. This provision will affect all manufacturers of cereals, patent medicines, musical instruments, automobiles, fountain pens, watches, and a host of manufacturers in hundreds of other lines of trade; and the result will be, when the true meaning of this amendment is made known, that the commercial classes of Canada will arise in their might and demand that this Order-in-Council and all similar class legislation be removed entirely.

We all rejoice exceeding that we have succeeded in securing a glorious victory by defeating the Germans, and thus destroying "Prussianism" in Europe. We must now watch very carefully that Germany's vicious doctrines do not creep into the Government

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