

be justified in amending them or altering them at this time. I do not really anticipate the difficulties my hon. friend fears, and I can assure him that every precaution will be taken by the department to see that the public is protected to the very limit.

Mr. NESBITT: I think this Bill is a great step in the right direction. Subsection 2 of section 4 will have a tendency not only to regulate the exchanges, but to make them more reliable. At the same time, it does not provide for the complete financial responsibility of a commission man who has a right to operate on the exchange. For instance, if I ship a carload of steers to a commission man to sell, there is nothing in this subsection making the exchange responsible for that commission man in regard to the price of the stock. That is what I meant by not allowing anybody to operate except such commission men as were permitted to do so by the exchange, and then making the exchange financially responsible for them. I do not mean as to the charges, the weighing, the feed, etc.—I mean responsibility for the price of the stock.

Mr. MORPHY: I do not quite agree with my hon. friend from North Oxford (Mr. Nesbitt). The hon. member for Edmonton (Mr. Oliver) wished section 4 to be struck out. To my mind that section contains the very thing he desires. The section reads as follows:

(2) Such by-laws shall provide for the admission as members of such live stock exchange of such persons as desire to carry on the business of commission merchants, and who furnish evidence of integrity and financial standing satisfactory to the executive of the exchange, and such by-laws shall require every commission merchant becoming a member of the exchange to furnish sufficient and satisfactory security for the proper accounting by such commission merchant of the proceeds of any sales received by him, and of any money paid to him to effect any purchase.

What language could be stronger? Of course, it all depends upon the nature of the security they take, but the presumption is they will insist upon security that will be sufficient, to cover the operations of any members of the exchange, and I would assume that if they could not get personal security which is absolutely gilt-edged they would get other security which would guarantee the purchasers. That section is about as strong as language can make it.

Mr. GLASS: The criticism offered by the hon. member for North Oxford was duly considered by the committee. Subsection 2

of section 4 was explained by the minister, and seemed to offer sufficient security to the drover who might have cattle to sell on the exchange. The details as to what that security shall be, or what the character of the responsibility shall be are not embodied in the Bill, but the primary object is to give the security the hon. member seeks, and this clause supplemented, by the regulations of the minister and the department and the by-laws of the exchange, which must be approved by the minister, seems to me to furnish that security. Of course, it all depends on the stringency of the regulations which the minister imposes. I am sure the committee had confidence that the minister would impose conditions that would give absolute security, knowing the necessity for it.

Mr. R. B. BENNETT: After considering the matter with practical men, and hearing what my hon. friend from Edmonton had to say, I would suggest to the minister that after the word "merchants," in the third line of subsection 2 of section 4, we add the words "on such terms and conditions as may be fixed by the by-laws." This change would meet the difficulty referred to by my hon. friend from Edmonton, and instead of leaving it open to the executive to do as they pleased would provide that any man who complies with the by-laws would be a member. Does not my hon. friend from Edmonton think that would get over the difficulty?

Mr. OLIVER: Of course, they frame the by-laws.

Mr. R. B. BENNETT: But the minister has to approve of them. Then the responsibility is on the Government.

Mr. OLIVER: I think that would be an improvement.

Mr. BURRELL: I have no objection at all to that amendment. I really thought we were achieving the purpose with the subsection as it was, but on further consideration, I agree, it might sound as if these men were judging of the integrity of their own members. I therefore move:

That subsection 2 of section 4 be amended by striking out all the words in line 4 and the words in line 5, to and including the word "exchange," and inserting in lieu thereof "on such terms and conditions as may be prescribed by the by-laws."

Amendment agreed to, and section as amended agreed to.