

*Cold Storage Act*

facilitating a good credit system. That would be more advantageous and would not cost the country anything. If those who are engaged in co-operative movements had a good line of credit supplied to them on security, they should be able to get along. With reference to people who are co-operating for their mutual benefit, I do not believe in giving anybody something for nothing. My experience is that it is bad practice. I believe in giving them credit facilities, and if they obtain those facilities and cannot manage their business, I do not know why they should manage it on the public money.

Mr. SUTHERLAND: The benefit of cold storage facilities is so great that it seems to me remarkable that greater advantage has not been taken of the opportunities offered. My recollection of the situation as it was in 1919 is that the co-operative companies who had earned the bonus which was given by the government did not afford the facilities to the public that the Cold Storage Act was intended to afford, and it was hoped that by confining it to municipal bodies the general public would have access to the facilities afforded by cold storage. It appears that there has not been very much done along that line during the past few years. I would like to ask the minister: Will those who do not belong to co-operative companies be permitted to use the cold storage plant, provided they pay for it? I would like to know whether the public are being safeguarded in that respect.

Mr. MOTHERWELL: Yes, that is the intention, although I might say that after the subsidies are all paid it will not be an easy matter. It is difficult for the federal authorities to extend jurisdiction over certain activities, and this is one of them. As a rule these institutions are very submissive to federal control as long as any unpaid subsidies are still due them, but after the final payment has been made, I think no method has been discovered of controlling them to the extent some people want. You can control the rates, but just to what extent you can control them and say what amount of space shall be allotted to the public is hard to say. There is some doubt about our constitutional right to so control those institutions. That is a matter that we run up against in the administration of several of our acts—the Grain Act, for instance, and several others. So far as we have jurisdiction, we propose to have control over these institutions.

Mr. ANDERSON: Has there been any demand from the co-operative companies for

[Mr. Morrison.]

cold storage plants, and if so where did it come from?

Mr. MOTHERWELL: On the spur of the moment, the only one I can name—although I can recall discussing it with many farmers—is the Minister of Agriculture for Ontario, Hon. Manning Doherty. People would come and ask what is being done in the matter of cold storage; I would refer them to the act, and on further discussion I would have to admit no money was being spent over it. I have to take the responsibility of asking for money here in parliament, and I do not want to come back here year after year and say that I am not spending the money. The act must be made to function, or we might as well let it lapse. In fact, it has been lapsing. I have personal knowledge that these subsidies in the past have been given to co-operative storages, and in answer to the hon. member from Weyburn (Mr. Morrison) I think if my hon. friend had his money invested in cold storage plants a few years ago, and had to administer the cold storage plant, with the sentiment that existed in the country at that time against cold storage and cold storage produce, he would find he would not get very large return on his investment, and some form of assistance and encouragement in the way of a subsidy would be required to get him to put his money into it at all. That has been my experience. Of late years people have become more familiar with cold storage and not so alarmed about it. I did not care to state any reduction in this resolution, but I intended to raise the question whether so high a rate of subsidy as 30 per cent was required to encourage people to take advantage of the act at this time—possibly 25 per cent would be enough. That would be a fluctuating matter, and I am not committed to it in any way, in fact, I think it could be argued that if it required 30 per cent of the cost of construction to encourage a man to go into the cold storage business fifteen years ago, it could easily be argued that 25 per cent should be enough now. These are details and this is not exactly the proper time to go into them, but I have no objection, if the hon. members desire, to taking the matter up.

Mr. MILLAR: What security, if any, is it proposed the government should take? If one of these co-operative associations should become financially embarrassed and close its doors, what security would the government have for the money advanced?

Mr. MOTHERWELL: It is not a loan but a subsidy, and none of it will have to be paid