

butter. That is the effect desired by the minister in raising the price 2½ cents a pound. It is to encourage the producer to produce more butter, and the other effect will be that the consumer will consume less because the price will be higher to the consumer. Then what will happen? Our figures of 225 million pounds of production and 10 million pounds for export will no longer apply. We shall then be producing inside of a year or two approximately 300 million pounds of butter instead of 225 million pounds, and consuming 200 million pounds instead of 215 million pounds, leaving 100 million pounds for export.

Mr. WEIR (Melfort): On what does the hon. member base that statement?

Mr. YOUNG: That is not a very great reduction in consumption, from 215 million pounds to 200 million pounds, because the price has been increased 2½ cents a pound. That is not putting it extremely, to say that the consumption of butter because of the increased price will decrease by some 15 million pounds; and when you add 2½ cents to the price that the farmer receives for his butter he will increase the production I should think by at least 75 million pounds. That is a very moderate estimate.

Mr. WEIR (Melfort): Does the hon. member make this statement, that if butter were two cents a pound higher than now it would be a sufficient encouragement for our farmers to increase their production by 75 million pounds, and then in addition we would consume 15 million pounds less?

Mr. YOUNG: I make this statement, that if you add 2½ cents a pound to the price of butter, you will increase the production, and that if you add that same amount to the price the consumer pays, you will decrease consumption. The spread between production and consumption will therefore widen, and I venture to say that it will not be more than a year or two before we have 100 million pounds for export, and then one-tenth of a cent a pound will not be a sufficient levy. You will have to have a levy then of at least one cent a pound on production. One cent a pound on a production of 300 million pounds would yield \$3,000,000, and that would enable you to pay a bonus of three cents a pound on the exportable surplus. Three cents a pound on the 200 million pounds consumed in Canada would be \$6,000,000. This means you would charge the people an additional \$6,000,000, and of that \$6,000,000 you would have given half to the producers of butter in this country, and the other half to the British workmen in

[Mr. Young.]

the form of cheap butter. You would be taxing our people \$3,000,000 in order to provide cheap butter for the people of another country. What will you say to the unemployed in our cities when they come to the government and say: We have no butter for our bread? Many of them, Mr. Chairman, have not even bread. Will the government say to them: We can do nothing for you, and if you cannot get butter for your bread it is just too bad, but we are taxing you \$3,000,000 to provide cheap butter for the people of some other country.

This legislation will encourage dumping, which this government has held up as the greatest crime in all the calendar. This government has invented all kinds of devices and passed all sorts of laws and regulations to prevent other countries dumping their surplus products here. The Minister of National Revenue stood in his place in this house last session and said that no self-respecting country would allow another country to dump its surplus products on it. Now his colleague comes before us with a proposal not only to encourage dumping but to make dumping compulsory

Mr. MALCOLM: Bonus it.

Mr. YOUNG: The Minister of Agriculture used the word "compulsory" in his speech. He said, "If, however, it could have been made compulsory, dealing with that incident alone, I have no doubt that the condition that did arise would not have arisen."

What happened in Australia? This is merely a repetition of the Patterson scheme in Australia. They levied two or three cents a pound on the butter produced in order to bonus export butter, and what happened? The very day that came into effect Australian butter was shut out of this country. Well, other countries can do the same thing. We are not the only people who are crazy.

Mr. SPOTTON: Let us all have a good time together.

Mr. YOUNG: Other nations are just as foolish as we are in this regard. The government of this country says: No, you shall not dump your cheap butter into this country. But I think the British government would be quite willing to accept our cheap butter, willing to let us work and provide cheap butter for their unemployed while our own unemployed go without it. But suppose the world's market improves and there was no difficulty in selling this surplus, what would happen? We would be in the position of paying two or three cents a pound for a market that we