

to second the amendment presented by the honourable member from Wentworth (Hon. Mr. Smith) that the reduction of duty on goods admitted into Canada under this Treaty should not apply to goods upon which any bounty has been paid by the Australian Government. The honourable leader of the Government, however, informed us that these bounties have all expired. Is that correct?

Hon. Mr. DANDURAND: These bounties have lapsed, according to the Australian Year Book, which I have before me. But I may give this further information to my honourable friends who are interested in this aspect of the Treaty—and they are not alone—that if any bounty applied to any class of goods having the advantage of the Treaty, they would be met by the anti-dumping regulation. I speak of bounties on goods for export.

Hon. Mr. MICHENER: I was going to speak on that aspect; but I presume that, in view of the fact mentioned by the honourable leader, the honourable member for Wentworth will not insist upon his amendment.

While on my feet, however, I wish to make a few observations, as briefly as possible. The honourable member for Wentworth presented some serious disadvantages with respect to certain phases of the Treaty, particularly regarding the dried and canned fruit business. We produce something like \$30,000,000 worth of fruit in Canada. I do not wish, however, to traverse ground that has been covered so ably by the honourable member for Wentworth, but will refer more particularly to certain phases of mixed farming, especially dairying and stock raising, in which we in the Province of Alberta are very much interested.

There were distributed among us just before adjournment copies of a circular from the Canadian Pulp and Paper Association, setting forth the advantages of this Treaty to the pulp and paper industry. We are told that trade for that industry is available in Australia to the extent of \$7,500,000, whereas the value of pulp and paper manufactured in the Dominion of Canada is \$140,000,000 a year, and the industry, it is urged, has a capital investment of \$400,000,000. It is of course an important industry in Canada and is worthy of every consideration; but I wish to contrast the advantages that are to accrue to that industry with the disadvantages that may accrue to some phases of mixed farming throughout the Dominion.

We have invested in live stock in the Dominion of Canada—principally dairy cattle, stockers, hogs and sheep—\$1,292,000,000.

We all know the disadvantages of our climatic conditions in the winter

Hon. Mr. MICHENER.

time, and the advantages enjoyed in that respect by Australia. The Australians pasture their stock the year around. Their meat can be raised much more cheaply than ours.

With regard to the dairy industry, in the Province of Alberta in 1900 we produced only \$123,000 worth of butter, but last year, 1924, we produced nearly \$10,000,000 worth. The farmers of Western Canada no longer expect to make their fortunes quickly out of grain-growing, but are coming down to a solid basis of mixed farming, particularly dairying and stock raising. Dairying is an industry which at present prices is not very profitable, though it is true it provides a living for the farmer and his family for 365 days in the year. In the Province which I represent the farmers have gone more and more into dairying. They have equipped their places with good warm barns; they have installed silos, and in many cases milking machines, and all the equipment of a modern dairy. To-day Alberta produces butter which is second to none in any part of the world, and this is largely due to the fact that the nights in that part of the country are cold and there is a moderate climate in the summer.

As I have stated, there is very little profit in the dairy business at present prices, and even a very slight reduction of duty, opening our home market to products of other countries which can produce more cheaply, is a serious matter for the people of Alberta. I wish to call particular attention, honourable gentlemen, to this fact, that in the winter time, when we in Alberta produce butter at a maximum cost, Australia is enjoying its summer season and can produce at the minimum cost. So the advantage given to the Australian farmers, with respect to butter especially, of 3 cents a pound, makes it possible for them to flood our markets with their summer butter, produced at a minimum cost, and it comes into competition with our winter butter, produced at a minimum cost. This must have one of two effects: it must either reduce the price of our butter in our home market or discourage the dairying industry in that Province to a very large extent. Instead of the Government reducing the protection which the farmers now have upon those basic products of agriculture, there is an immediate need, it seems to me, of increasing the duties so that they will be more in line with those imposed by the United States. The honourable member for Wentworth (Hon. Mr. Smith) showed this morning how the farmers of Canada might have been protected, and how justice could