

Mr. MacINNIS: That is an unfair statement?

Mr. CHEVRIER: That is what I said.

Mr. MacINNIS: I ask the minister, if his experts know so much about the freight rate structure, and know there has been discrimination, which, indeed, has never been denied, why has the discrimination not been removed?

Mr. CHEVRIER: If the hon. gentleman would only accept the policy of the government, which is to give an opportunity to the provinces to make application to have the discrimination or the inequalities disappear, then perhaps he will get an answer.

Mr. MacINNIS: That is a beautiful answer—if I will wait for some time perhaps I may get an answer! Perhaps I won't. But even if I do, the answer may not be satisfactory. The discrimination may still continue, and that will simply prove my point, that they are experts in discrimination.

Mr. CHEVRIER: Which is still an unfair statement.

Mr. MacINNIS: It is not an unfair statement.

Mr. CHEVRIER: It is.

On motion of Mr. Bryce the debate was adjourned.

At six o'clock the house took recess.

### After Recess

The house resumed at eight o'clock.

#### DAIRY INDUSTRY ACT

##### PROPOSED REPEAL OF PROVISION PROHIBITING MANUFACTURE, IMPORTATION AND SALE OF BUTTER SUBSTITUTES

Mr. JAMES SINCLAIR (Vancouver North) moved the second reading of Bill No. 4, to amend the Dairy Industry Act.

He said: Mr. Speaker, the bill of which I am moving second reading is a very short and simple one, providing only for the deletion of that clause in the Dairy Industry Act which prohibits the importation, manufacture and sale of oleomargarine or other butter substitutes in Canada.

This bill is identical with one which Senator Euler has before the senate and which he has twice previously introduced there. I think I should pay tribute to the valiant work he has already done in this matter.

My own connection with margarine is a simple one. In the last war I served for some

time with a squadron in Libya. In our food ration we got either New Zealand butter or British oleomargarine, and unless we saw the tins in which they came we did not know which we were eating—same taste, same colour, same texture.

Last September a group of irate housewives in the industrial portion of my riding complained to me about the shortage of butter. Butter at that time was controlled in price but very short in supply and they asked why there was no margarine to alleviate this shortage. I explained about the ban in the Dairy Industry Act, and how Senator Euler had tried in vain to have it repealed. They thereupon asked me to sponsor a similar bill in the House of Commons. I agreed, and I am now fulfilling that promise.

The origin of oleomargarine dates back to the 1860's. France at that time was afflicted as Canada is today—butter scarce and high in price. In the hope of correcting this condition, Napoleon III offered a prize to the scientist who could develop a cheap synthetic butter, which prize was won by Megez-Mouriez in 1869. He attempted to duplicate the milk secretory process of the cow, using beef fat as a base. In this he failed, but he developed instead a process for making animal fats as soluble, digestible and palatable as the fats in butter, and so developed not synthetic butter but a butter substitute which he named oleomargarine.

The production of this product began immediately in France and shortly afterwards in North America. Almost immediately the dairy industry of the entire continent marshalled their forces against the first real competitor they had ever had, but this is the most significant point about the entire battle which has raged since that time. They did not try to drive this competitor from the field in the honourable way that business has always used, by making their own product better and cheaper. They chose instead a cheap and shoddy way. They turned to legislative bodies for laws banning or hampering and hindering their competitor.

In America, however, the United States supreme court in 1886 ruled that such ban on the manufacture of a legitimate article of commerce was illegal, and so in the United States they had to confine themselves to restrictive legislation, to direct taxation by the federal government and nuisance taxes by the state governments.

Here in Canada, however, the dairy lobby was more successful, for in 1886 it secured a total ban on margarine. A bill was introduced by a private member, and it is interesting to recall that almost all legislation connected