DISTRIBUTION OF FREE BUTTER PRESS REPORT AS TO RELIEF PROPOSAL BY DOMINION GOVERNMENT

On the orders of the day.

Mr. M. C. SENN (Haldimand): I wish to address to the Minister of Agriculture (Mr. Gardiner) a question based upon a report in this morning's Ottawa Journal under the heading, "Free butter will be given needy families." Has the minister a statement to make in this regard, particularly as to how the price is to be arranged and how the distribution will be made?

Hon. J. G. GARDINER (Minister of Agriculture): The matter is still under consideration by the department.

Mr. J. H. BLACKMORE (Lethbridge): I have a question somewhat similar to that asked by the hon. member for Haldimand (Mr. Senn). There appears on page 14 of the Ottawa Citizen a report to the effect that the Minister of Agriculture (Mr. Gardiner) is now engaged with departmental officials in working out the details of the dominion government plan to buy four million pounds of butter and have it distributed to people on relief throughout the dominion. Is this report correct? If so, does the dominion government propose to pay for this butter with money to be taxed from the people of Canada?

Mr. GARDINER: There is nothing I can add to the answer which I have already given.

## WEALTH AND MAN POWER

INQUIRY AS TO ACTION PROPOSED ON RESOLUTION OF ONTARIO LEGISLATURE .

## On the orders of the day:

Mr. T. L. CHURCH (Broadview): There was laid on the table yesterday, a resolution with respect to the mobilization of man power. May I ask the government what action will be taken. Yesterday, in reply to a question mine which appeared on the order paper, as to what action had been taken by the government in the matter, the information was "Answered by No. 2." That means that the document was tabled. Is that all the action that has been taken?

Right Hon, W. L. MACKENZIE KING (Prime Minister): The answer given to the Ontario government was attached to the communication from the Ontario government, and it seemed to me that those documents indicated as much as could be said at the present time.

[Mr. Bertrand (Laurier).]

RED CEDAR SHINGLE INDUSTRY COMPARATIVE WAGE RATES AND WORKING CONDITIONS IN BRITISH COLUMBIA

AND PACIFIC STATES

On the orders of the day:

Mr. THOMAS REID (New Westminster): I wish to direct a question to the attention of the Minister of Trade and Commerce (Mr. Euler). Has the attention of the government been drawn to statements made in the United States congress recently, which purported to show comparative wage rates in British Columbia and in the states of Washington and Oregon, for workmen employed in the red cedar shingle industry, alleging material differences in the wage rates and working conditions in effect in the two countries? If so, is it the intention of the government to make any investigation into the

Hon. W. D. EULER (Minister of Trade and Commerce): Notice has been taken of these statements, which will be brought to the attention of the government of British Columbia with a request that the matter be investigated. Consideration will be given to the whole situation in the light of reports received. In the meantime, I can say that it is certainly not the desire of the government of Canada that the provisions of its trade agreement with the United States should have the effect of lowering labour standards in either country. On the contrary, it is the expectation of the government that the benefits flowing from the agreement will be shared in full measure by labour.

## SUPPLY

DISTRIBUTION OF FREE BUTTER-STATEMENT OF MR. BLACKMORE ON MOTION OF MINISTER

Hon. CHARLES A. DUNNING (Minister of Finance) moved that the house go into committee of supply.

Right Hon. W. L. MACKENZIE KING (Prime Minister): I understand it has been agreed that the Minister of Finance (Mr. Dunning) might present to the house an interim supply bill so as to enable us to have the wherewithal to provide for the service in the next two months. Possibly that item might have precedence to the External Affairs estimates.

Mr. J. H. BLACKMORE (Lethbridge): Before you leave the chair, Mr. Speaker, I wish to say a word or two touching the matter about which I asked the Minister of Agriculture, (Mr. Gardiner) a question a moment ago. I do not wish to detain the house unduly, but this matter may be found to be one of the most important problems that can be considered by this house. I therefore crave your indulgence while I bring to the attention of hon. members certain aspects of our Canadian economy which I believe should be attended to without further

It has been announced to-day-the information, as I understand it, will be in the press this afternoon-that in the German budget which is at present before the German people there is set aside the sum of \$200,000,000. for the promotion of trade, and \$382,000,000 for the development of home trade and internal industry. The proposal which has appeared in the press, concerning which the minister is naturally somewhat reticent about telling us anything, is a step on Canada's part in the direction which a good many of our competitors have already taken and in which they have gone a good way. We can see from the bit of news I have cited that there is a definite move on the part of powerful nations in the world to-day to spend large sums of money for the expansion of external trade and large sums for the development of internal trade and industry.

The simple little proposal to take four million pounds of butter off the market in Canada and to distribute it to needy people at home is one of the first steps that this country has taken along this line. I submit that it is far too tardy a step; we should have taken action like this long ago. We have dawdled along and neglected these progressive measures until we are on the verge of destruction.

May I spend a few minutes on the debt situation which confronts Canada-

Mr. POULIOT: May I ask the hon. gentleto tell the house why he has not made this suggestion before if he thought it was long overdue?

Mr. BLACKMORE: I am glad the hon. member has raised that question. The very first time we were in this house we began to advocate the dividend. A dividend is a means of enabling people to buy. If this government buys four million pounds of butter and puts into the hands of the people vouchers with which to obtain that butter, the government is putting into their hands a dividend.

Mr. POULIOT: But the dividend is just skim milk, not butter.

Mr. BLACKMORE: All the more disgrace to a government that neglected it so long, a government that does not give butter instead of skim milk. I grant it is skim milk when we should be having butter and cream and cheese. It is a tardy recognition of the fact that we should long ago have been taking the surplus production which this country has had on hand in superabundance and distributing it to the people. That is precisely the meaning of the \$25 a month.

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Mr. LAPOINTE (Quebec East): On the motion to go into supply it is in order to ventilate grievances. What is my hon. ventilate grievances. What is my hon. friend's grievance? He is speaking about something which has not been decided, which is in the clouds. He has read in the newspapers that something may happen. What is his grievance?

Mr. BLACKMORE: I was on the point of stating the grievance when the hon. member for Temiscouata (Mr. Pouliot) asked me a question., Here it is. Grievance No. 1: The debt of Canada in January, 1939, was \$3,177,-031.860—the direct debt to individuals in Canada and outside—was \$3,177,031,860. Some people may not consider that a grievance, but for any person who has children and expects to have grandchildren growing up in this country who will be burdened with that debt, maintain it is a distinct grievance. This debt is due over the years until 1967. We are paying interest on it, at rates of from one to five per cent per annum. The annual interest payment has been reduced from slightly over \$138,000,000 in 1933 to \$132,000,-000 in 1938, but even at that it is far too much; it is more than this country can carry. During the next thirty years it is estimated that if the average interest rate is 3½ per cent we shall pay \$3,335,883,450 in interest alone. Can you imagine anything more grievous than that?

The result is a great lack of confidence on part of busine do not dare to invest money. Who would dare, with a debt like that hanging over them? The banks do not dare to lend money. The result is that money is going into government securities instead of into industry. All these matters are unhealthy. If they do not constitute a grievance, I do not know where you would find a grievance. To me they are a very great grievance. We in my group are opposed to the increase of the national debt. It is not necessary; it could be avoided-beyond all question that is true. At the present time we have taxes on business, taxes on income, sales tax, decreasing our purchasing power-which is already deficient; otherwise why the 4,000,000

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