

talk free trade at election time, but they practise protection when in office, and necessarily so. In relation to wheat agreements or anything else, it is hard to force water to run uphill. We have had trade agreements with the United States, but whether the commodity is grain, cattle or hogs, just as soon as it affects adversely the American farmer we run into difficulties.

**Hon. Mr. Lesage:** Would the honourable senator permit a question? What is the existing reserve of surplus butter in the country?

**Hon. Mr. Horner:** I am not able to say. I imagine it is considerable. I was listening to a discussion in the other chamber when the Parliamentary Assistant to the Minister of Agriculture stated that the government, on the basis of this floor-price provision, had bought about 2,500,000 pounds of butter. What they propose to do with it I do not know. When production increases in May and June, as it will, they will still be buying—and buying in competition with 31-cent margarine.

I was pointing out that when we had agreements with the United States, as soon as our sales adversely affected the producers in that country, they lobbied and persuaded their government to increase the tariff against us. The duty on wheat is 45 cents a bushel; the shipment of cattle is subject to a tariff and a quota; and, I repeat, just as soon as concessions made to us have an adverse effect on their producers, those concessions are annulled. The same will hold true of any future agreement.

In Western Canada we have been buying from eastern Canadian manufacturers for fifty years. They have had protection in respect of the goods which farmers had to purchase; and we believe we are entitled to a measure of protection for the dairy industry.

I do not know much about the adulteration of maple syrup; but if margarine is to be manufactured and sold, a small army of inspectors will be needed to ensure that it contains the prescribed elements, such as vitamins. When you buy a dairy product you know what you are getting. I think the government should take immediate steps; for if they do not, the situation will become very difficult.

**Hon. Mr. Lambert:** May I ask my honourable friend whether, in making this speech, he has taken into consideration the judicial decision which places upon the provinces the legal responsibility relating to the manufacture and sale of margarine? The federal authority has nothing to do with it.

**Hon. Mr. Horner:** I know all that very well. My complaint is that the government

ever allowed the matter to go to the court for decision.

**Hon. Mr. Robertson:** How could they stop it?

**Hon. Mr. Horner:** They could very well have stopped it.

**Hon. Mr. Robertson:** How?

**Hon. Mr. Horner:** They need not have passed the resolution in the other place.

**Hon. Mr. Sinclair:** We passed it in this house.

**Hon. Mr. Horner:** I know, but it also had to pass the other house.

**Hon. Mr. Beaubien:** The resolution asking the government to submit the issue to the Supreme Court was passed unanimously.

**Hon. Mr. Kinley:** Has it been appealed?

**Hon. Mr. Horner:** It is going to be appealed.

**Hon. Mr. Kinley:** Why don't they do it?

**Hon. Mr. Horner:** It takes a little time.

**Hon. Mr. Ross:** Would the honourable senator have the government carry on under an illegal statute?

**Hon. Mr. Horner:** The decision of the court was not unanimous. The court was divided as to the legality.

As I say, we have listened to many speeches by Liberals in opposition to prohibition or restriction. Now, although we are importing butter from the United States, we are entirely prohibited from selling it to that country. A prohibition is worse than a tariff.

The action to which I have called attention will be regretted from one end of this country to the other, because of its adverse effects upon an industry and a class of people that should be encouraged. Dairying is a family industry and a valuable training ground; to discourage it will bring nothing but trouble in this country. Already we are importing about \$100 million worth of oil, and the country will be that much poorer for the transaction.

**Hon. Mr. Beaubien:** I recall that this house passed unanimously a resolution asking the government to refer to the Supreme Court of Canada the question of oleomargarine.

**Hon. Mr. Horner:** It was not passed unanimously.

**Hon. Mr. Beaubien:** My honourable friend, as one of the members of this house, has to take some of the blame for that action, because the motion was adopted without a dissenting voice.