

connection with the Australian trade treaty when, speaking a few days ago in this house, he said:

As an agriculturist in direct touch with this work of finding markets for our dairy products, I am in a position to state that the main result of the importations of Australian butter has simply been to put the speculator in Canadian dairy products out of business rather than to injure the farmer. To-day we have a ready market all the year round in Great Britain for our dairy products.

I wonder if he really gave serious consideration to that statement before he made it. He argues that the only thing to do with our butter is to export it to Great Britain. Now any person with a knowledge of the facts knows that in Canada our season of large and less expensive production is about six or seven months of the year, and during the remainder of the year, for five or six months, production is very much curtailed and the cost of production very much increased. What happens to-day under the Australian treaty is that we have to send our butter to Great Britain in the summer time, when prices are low. It is no using holding it until the winter season when it might command a better price because at that season the cheap butter of Australia and New Zealand, produced under summer conditions, is coming into this country, and we have no market for our butter in Canada. When it is remembered that the home market in Canada will take care of almost our whole butter production if we shut out importations, the fallacy of the argument of the hon. member for Queens will at once be seen.

But the Australian treaty goes further in its effects. It practically prevents winter dairying. Due to the high cost of production in winter, it is not profitable to the farmer because again the cheap butter of Australia and New Zealand, produced under summer conditions, is coming in and undersells our butter. There is no way of meeting this situation fairly to the farmer except by imposing a duty that will protect him, and he should be protected just as much as the manufacturer. Protection would put him on a fair basis. In this connection I should like to quote a statement made by one of the officers of the federal Department of Agriculture in Charlottetown a short time ago in which he distinctly disagrees with the statement of the hon. member for Queens. In a public statement issued at Charlottetown he says:

At the present time, our markets have received quite a setback, owing to so much New Zealand butter being dumped into Canada. Up to November 1st, 100,000 boxes of New

[Mr. J. A. Macdonald.]

Zealand butter was exported to Canada, and one boat in November delivered 34,000 boxes in Halifax.

New Zealand and Australia are producing under summer conditions, and are bonused to the extent of six cents a pound. So you see why we cannot compete with that trade, and make a profit with our type of cow.

That statement was issued by an officer of the Department of Agriculture, and I venture to say that the Minister of Agriculture (Mr. Motherwell) agrees with him, although he does not appear to be making any effort to meet that situation.

Mr. SINCLAIR (Queens): Does the hon. member agree with the statement made in this house a few nights ago by the ex-Minister of Agriculture, the hon. member for Victoria (Mr. Tolmie), when he admitted that the Australian treaty did not decrease the price of butter to our dairymen?

Mr. MACDONALD (Kings): I am quoting the statement of an officer of the federal Department of Agriculture. I am not discussing any statements made elsewhere. I did not hear the statement to which the hon. member refers.

Mr. BENNETT: Neither did I.

Mr. MACDONALD (Kings): Further in connection with this matter, I have here the history of a carload of choice No. 1 pasteurized creamery butter shipped from Prince Edward Island in the summer of 1926 and sold in London. On account of its choice quality it brought a higher price than the regular quotations there—one shilling and six pence above the current English quotation. Yet while it brought a fancy price, the net result to the shippers from Prince Edward Island was 28½ cents a pound, while practically the lowest price, the less than average price, quoted in Prince Edward Island for butter during that season was 32 cents a pound. That will show the disadvantage of being obliged to ship our butter to the British market during the summer time. If it could be held over for later consumption in Canada you would get the benefit of the higher price.

The hon. member for Queens also dealt with the question of implementing the Duncan report. He made remarks in that connection with which I cannot agree, and which I cannot let pass unchallenged. As the hon. member knows, I am not criticizing him personally; I am criticizing his statement. He stated:

I think it is fair to say that on the whole the government have gone as far as it is possible for them to go in implementing the recommendations of the Duncan commission.

Now, Mr. Speaker, that is an attempt to bolster up the case of the government with an