

useful or even necessary services have been provided. But when an individual facing straitened circumstances comes to decide whether he should buy—for instance—a new car this year or wait another two or three years, he will, if he is prudent, decide to wait. And it is the prudent people who succeed; they defer their purchases until they can make them without embarrassment. That is a very simple principle, my colleagues, but it is a principle which governments at all levels tend to lose sight of.

Also there needs to be on the part of our public servants—among whom I include senators—the recognition of this simple serious truth, that if people insist on demanding from their governments increases of services, here or elsewhere, they must dig into their pockets to pay for them. The only way governments get money is by taking it out of the taxpayers' pockets or borrowing it from some persons or organizations that will lend it to them; and the latter process creates obligations which have to be met at a later time. For myself, my insight into this subject of expenditures is clarified when I regard it in the same way as I would view my personal expenditures or the expenditures of any other individual. After all, there are a few simple, wholesome facts which have stood the test of history and will abide the test of the future.

If our course in this matter is sane and wise, there need be no doubt about the future of this country. We have a great country and a great people. No land is more richly endowed with natural wealth and all the elements necessary to a vibrant, successful human society. But in the management of these great assets we must apply common sense and prudence. At the same time we must develop. I regard, for instance, as an example of the right kind of expenditure the bill introduced the other day by the honourable senator from Winnipeg (Hon. Mr. Davis), for assistance to build a railway to develop a mine. Contrast that with the vote of an even larger amount for a public building which we could dispense with for another five years.

I want to express once more, honourable senators, my appreciative thanks to the members of the committee for the serious and wholly admirable manner in which they participated in the inquiry, and my gratitude to those who have been so kind as to compliment me upon my part in this work.

The motion was agreed to, and the report was adopted.

The Senate adjourned during pleasure.

The sitting was resumed.

CANADA DAIRY PRODUCTS BILL

MOTION FOR SECOND READING— DEBATE ADJOURNED

Hon. Wishart McL. Robertson moved the second reading of Bill 403, an Act to establish national standards for dairy products and to regulate interprovincial and international trade in dairy products.

He said: Honourable senators, this bill may be divided into two parts. The first part contemplates the establishment, for dairy products, of grades and standards in connection with interprovincial and export trade, similar to existing grades and standards which apply to products under the Fruit and Vegetable and Honey Act, and the Live Stock and Live Stock Products Act. I think it is safe to say that much the same powers exist under present legislation as are proposed here, except that the Supreme Court and the Privy Council ruled that the federal authorities have no power in regard to grades and standards within the provinces. The controls or powers of the federal authority are limited to interprovincial trade and export trade.

Needless to say, the question of interprovincial trade in the products outlined in this bill naturally arises. I may say to this house at once, that I am not in a position to discuss in detail the various constitutional and other questions involved.

The control of grades and standards is pretty well covered in the first five sections of the bill before the house. Section 6 deals with export or import of substitutes of dairy products. It reads as follows:

6. (1) The Governor in Council may by regulation prohibit.

(a) importation into Canada or into one or more designated provinces.

(b) exportation out of Canada or out of one or more designated provinces, or

(c) sending or conveyance from any province to any other province or from any province to one or more designated provinces, of any class of products that is designated by the regulations as being

(i) milk, cream, butter, cheese, condensed milk, evaporated milk, milk powder, dry milk, ice cream, malted milk or sherbet, that contains fat or oil other than that of milk, or

(ii) a substitute for milk, cream, butter, cheese, condensed milk, evaporated milk, milk powder, dry milk, ice cream, malted milk or sherbet.

(2) The Governor in Council may, by a regulation made under subsection one, designate any class of products as substitutes for a dairy product for the purpose of the regulation if, in his opinion, products of that class are produced wholly or substantially as substitutes for the dairy product.

May I draw attention to the fact that whereas the first part of the bill deals with