

have in Australia and New Zealand the people here simply would not stand for it, and particularly from the federal government that has no jurisdiction in the matter. Without eulogizing the western provinces too much, let me point out that it was because those provinces took up grading, just as my hon. friend suggests—in conjunction with the federal grades and in co-operation with them—took it up so well that they are able to hold their own and to beat all Canada in the British market. If all the export butter of Canada were as good as the western butter we would not have to make the humiliating confession referred to in the publication which has been quoted from. There are no two men that have done more to bring about that happy situation as far as the West is concerned than the dairy commissioners of Alberta and Saskatchewan. In the older provinces everybody knows how hard it is to introduce anything new. Out in the West we were using grading in connection with everything which was grown in the earlier years. Everything was sold on grade practically. Therefore we took naturally to grading dairy products but down here it comes very hard, and the people yield to it very slowly. It means that they have to unlearn the past and that is a harder thing to do than starting anew. Notwithstanding that, in Ontario and Quebec they have already started grading. In Nova Scotia they have a home market in the Maritime provinces for every pound of butter they produce; they are not so much concerned about grading because the market is right there, they do not have to export to other countries and compete with other producers there. In Ontario and Quebec they have an average but not sufficient to stimulate them into realizing that they are getting behind. Yet at the last conference which was held in this city, only three months ago both the representatives of these provinces gave assurances that they were prepared now to start out on a grading system in the case of both cream and milk. I should like my hon. friend from Mackenzie (Mr. Campbell) to tell me how we can go at this matter and with better results. I am a stranger down here to most of the workers in the dairy industry and for a western man to be too chesty is something I suppose they would not submit to very kindly. But I will say this, and the eastern dairymen admit it, that the western make of butter surpasses that of the east and brings from five to six shillings a hundredweight more on the market. Mr. Stonehouse, who is president of the National Dairy Council, admits that they know that down here. Now that is not because the western dairymen are

[Mr. Motherwell.]

better dairymen but simply because they have done what my hon. friend from Mackenzie and other hon. gentlemen have been advocating. They did it many years ago. They adopted the grading system. They bought their raw material on the basis of equality and sold their product on the same basis and until they do the same down here they will not get the same results. As long as prices are pooled and the sour cream brings as much as the sweet you are not going to get very much of an improvement. If my hon. friend has any suggestions to make I shall be very glad to give them my best consideration, because there is a tremendous problem right there.

Mr. CAMPBELL: I quite agree with the minister that a problem exists but it is not an insurmountable one. I think there should be no division of authority between the provinces and the Dominion government in regard to exports. If I understand it, the Dominion government can control the matter of export. I will say nothing about the sale of butter within the province. Surely the Dominion government is able to pass export regulations that will force the butter for export up to a certain standard that will be at least equal to that of New Zealand. As a Canadian I am not ready to admit that the New Zealanders can do anything we cannot do. I know it is usually said New Zealand has a perpetual summer. Their cattle graze in the open all year, and they have a great many advantages we have not.

Mr. MOTHERWELL: Does the hon. member suggest we should refuse the export of butter unless it is of a certain grade?

Mr. CAMPBELL: That is my suggestion. That is the system in vogue in New Zealand to-day, and I see no reason why it cannot be put into effect here, because it is very important. It means almost the salvation of the prairie provinces at the present time. Every hon. member who is familiar with the West knows very well that for the last two or three years the farmers of the prairies have been producing wheat at a loss. The only thing that has kept the farmers going, particularly in the northern part of the prairie provinces, is the dairying, and if we are going to lose the little market that we have, I see nothing but ruin facing us. The market is there. We have a market in the old country, and it is only a matter of developing it; but we must keep up to the standard in order to get that market. Of course there are other factors entering into it. There is the matter of freight rates and