

The speculators who buy surplus butter cheap in summer, store it and sell it at an exorbitant price in winter are the ones who are making money out of butter under the present system. The scandalous evidence of eleven and a half cents a pound profit revealed by the prices committee is shocking support of that contention. I think even more revealing was the callous comment of both the president of Canada Packers and the president of the National Dairy Council, to the effect that there was no point in their organizations taking less profits and reducing the price because butter is in such short supply that their competitors could get the high price anyway.

An hon. MEMBER: Shameful.

Mr. SINCLAIR: Yes, it is shameful. Therefore we have need today of price control on butter. If it were not for that price control, I am quite sure that butter would be close to a dollar a pound.

As a matter of history and as a matter of interest, I looked back over Canadian and British history to see if ever before there had been such a ban on the production of goods within a country. I had to go a long way back. I had to go back to Britain at the turn of the seventeenth century, when the first cotton goods, calicos as they were known then, began to be imported from India. The wool and linen trades immediately raised their hands in holy horror; and, strangely enough, they similarly rushed to parliament in order to have their competitor banned. In 1701 a law was passed banning the importation of calicos. But that was not good enough. They went farther than that, and in 1721, the first year of the Walpole ministry, they banned the importation, manufacture, sale or even the use of cotton goods, in order to leave the field secure for the woollen and linen trades.

The University of Manchester series on cotton, which is in the library, has a most interesting account of the debates at that time. There was no *Hansard* then, but the arguments used by the proponents of wool and linen have a strangely familiar ring today. They said, of course, that the honest British workingman did not want to be clothed in cheap foreign cottons. They said he wanted to wear good British woollens and good Irish linens. The fact that he could not afford to buy them was immaterial. They said, next, that wool and linen were the cornerstone of British agriculture, and that the competition of these cheap cottons would ruin the British economy.

[Mr. Sinclair.]

Their arguments were, of course, shown to be false, and mounting public opinion in the end forced, first of all, a relaxation of the ban in 1736, and in 1760 a complete repeal of that ban. Sixteen years later, Adam Smith, in a lecture to the University of Edinburgh, had this to say about this particular legislation. He called it "a mean and malignant expedient to dam the natural channel of free trade", and he said at that time that its failure was inevitable. I think Adam Smith would have used far stronger language than he did had he thought that 200 years later the parliament of Canada, which apparently has learned nothing from history, would still be resorting to this mean and malignant expedient.

The most striking argument is, of course, the social one. Quite bluntly, there are today in Canada many groups of people who cannot afford to buy butter at seventy-three cents a pound. I am thinking of old age pensioners, war pensioners, people on superannuation and large families with low incomes. But all those people need the soluble fats and vitamins which are found in both butter and margarine. There is another great group in the middle class who can afford to have some butter but not all the butter they need for a balanced diet. To these people the dairy industry of Canada says, in effect: "If you cannot buy butter, you can do without. It is far better for this nation that you should want than that you should have margarine."

This ban is an imposition which is not borne by the whole consuming public in Canada. It is borne only by one group of it, the poor and those in the low income groups. As such it should be regarded by anyone with any social conscience as morally reprehensible. It shows, for example, that we are less humane than that autocrat Napoleon III who at least tried to do something to alleviate the effect of the butter shortage on his poor and his depressed.

A year ago our great sister dominion, South Africa, faced the same problem and embarked on a program of government assistance to margarine. There is an excellent account of this in "Farming in South Africa", an official publication of the department of agriculture of the Union of South Africa, which can be secured from the Department of Agriculture library. In the January issue, which I also commend to the reading of the Minister of Agriculture, there is an interesting article on why South Africa, under conditions similar to our own, with a butter shortage over the year and little domestic supply at the moment of edible oils, turned to margarine. This gov-