

fair tariff policy to the dairying interests of the district I represent. In regard to the dairy interests of Cariboo I speak with some authority, because I helped to organize the co-operative dairy association in the little town of Quesnel, British Columbia. I was a director for the first three years of its life and helped to put the organization on a proper basis so that it could operate for the benefit of the farmers who were anxious to see what could be done in that district by co-operative effort. We have five creameries in the district and one of them is in the Pouce Coupe district, of the Peace river country. We have a creamery working up there across the boundary from Alberta in the Peace river section of the country, and that creamery is located in the district I represent. Since the inception of the creamery at Quesnel I have been closely associated with all the members of the organization, and I have noticed that my farmer friends in the district are continually complaining that the industry is not as profitable as it should be, that the net return they get from the manufacture of cream and the selling of the product to the creamery is not a profitable one, and that, after they deduct the expenses of their operation, there is very little net return for the farmer himself, which is an important point. The industry at present is a going concern, but is not in my opinion firmly established. It is a very grave question to me at the present time whether it is going to be able to function properly or not, or to continue in operation, because the margin of profit is so small. When a man does not get a profit out of any work he is carrying on, he will quit working altogether, and I am afraid that, on account of the small profit the farmers are making out of this operation, they will sell their cows or turn them over to the butcher for beef, and then the organization will be out of business. Just as soon as you reduce the number of cows below a certain line you are operating your creamery on an unprofitable basis, and no business can operate for a long time without a profit. You must have a reasonable profit in any business. When I apply the tariff policy of the Australian treaty to the conditions that I see in my own district, I am afraid the result of that treaty will be to close up just such organizations as the one I refer to throughout the country, because there is no question—and it cannot be denied—that you are reducing the profit of the farmer from the cream he is selling to the organization, and if that is done in a large degree the farmer will go out of business and try something else.

With particular reference to the Australian treaty and the difference that exists between the height of our tariff walls and that of those we find in other countries, let me point this out. The difference between the United States tariff and the Canadian tariff on butter is at present four cents a pound. If a Canadian farmer wants to send butter into the United States, there are customs men on the border to prevent him from sending it in unless he pays the duty of eight cents a pound. In regard to this question, I am speaking from the British Columbia viewpoint with the city of Vancouver on this side of the border and the city of Seattle on the other. The British Columbia farmer, if he wants to find an export market for his product, can always find it in Seattle. On the other hand, a United States farmer who is exactly the same distance from the Seattle market as our farmer is from the Vancouver market and who can produce butter at the same or probably a little less cost, can send his butter into the Vancouver market under a duty of only four cents a pound, whereas the British Columbia farmer has to pay a duty of eight cents a pound in order to market his butter in Seattle. I contend that a government that will maintain a tariff of that kind, where there is such inequality, is robbing the Canadian farmer of four cents a pound on his butter. If the government in its wisdom would only raise that tariff to the same level as the United States tariff, that is eight cents a pound, immediately the Canadian farmer, handling butter in his home market, would reap the benefit of that additional four cents a pound. I believe and I am now convinced that is a fact. What has convinced me? The operation of this Australian treaty has convinced me that this government under the general tariff as applied to the United States, is robbing the Canadian farmer of that four cents per pound. What did this Australian treaty do? It robbed the Canadian farmer of another three cents per pound, because it lowered the protective duty on this commodity to one cent per pound and as the difference between four and one is three immediately that reduction in duty went into effect, what did we find?—every dairyman of the Dominion of Canada receiving exactly three cents per pound less for his cream and butter. That has been admitted by every minister who has spoken on this question and, therefore, this government have taken from farmers throughout this Dominion the value of three cents a pound on their butter.

I am not complaining at all about the United States tariff or about the Australian