

because we would be doing it on a reasonable, logical and a prior-agreed-to basis.

To get the support required in Parliament for this type of proposal we obviously must have the support of the government. Therefore, I am pleased that we are in the process of arranging informal meetings between the members of our committee and the Honourable Eugene Whelan, the Minister of Agriculture, and the Honourable Jack Horner, the Minister of Industry, Trade and Commerce, so that we can present to them for purposes of discussion the proposals that we have put forward in this report. I have been in public life in this country for a long time, and I do not expect that everything I try to do will receive general acceptance. Very often I have faced much opposition to the proposals I have made. Nonetheless, when one thinks he has something worth presenting, it should be done as well as possible, and he should stick to his guns and see what happens. This report, I am proud to say, has received support from many farm organizations in this country, and from some of the most important elements of the farm organizations. I was thrilled to have brought to my attention a press release issued by the Canadian Federation of Agriculture with regard to this report on, I believe, the very day—October 14 last—that it was tabled in the Senate. I quote from that press release:

Canadian beef producers will be greatly heartened by the recommendations of the Senate Committee on Agriculture for the beef industry of Canada, Charles Munro, President of the Canadian Federation of Agriculture, said today.

The basic position of the Committee, that steps must be taken to develop a beef import policy to fairly protect the interests of the industry in reasonable security and stability of returns, is one the Federation endorses, Mr. Munro said. A definite and orderly long-term policy to give importers fair access to our markets, but to regulate the volume of those imports in such a way that producers in Canada can plan with some confidence that their returns will not be unfairly depressed by imports in excessive volume or at excessively low prices, is strongly favoured by beef producers in Canada. The Committee calls for special legislation to set up such a long-term policy.

The Canadian Federation of Agriculture will be intensively studying and discussing the details and implications of the very challenging proposals of this important Senate report, Mr. Munro stated, looking to the development of a considered response and policy which will be the basis of ongoing discussion with the Government.

To conclude, I thank all those senators on the committee who took part in the hearings and in the formulation and presentation of this report. We all worked hard on it; we think it is a good report. We think, in line with the title, *Recognizing the Realities: A Beef Import Policy for Canada*, it states the world situation as it is. We shall continue from this time forward promoting this policy in our country in the hope that action can be taken in the interests of the beef producers and in the interests of the nation as a whole.

[Senator Argue]

Hon. Senators: Hear, hear.

Senator Hays: Would the honourable senator permit a question? What position did the committee take on purebred cattle and breeding stock?

Senator Argue: I thank Senator Hays for that question. We felt that it was in the interests of the beef and dairy industry throughout the world to have the largest level of improvement in production of milk, milk products and beef, and that as far as purebred and breeding animals are concerned, to improve the stock of any nation in the world, there should be no duties, no quotas. There should be free trade. Wherever necessary, negotiations should be carried on toward that objective so that herd improvement in all countries can be facilitated.

● (1450)

Senator van Roggen: I wonder if I might be permitted to put a question to the honourable senator.

In your opening remarks you said that the beef industry was the second largest industry in Canada, next only to the automobile industry.

Senator Argue: If I said it was the second largest, I was in error; I meant the third largest. As I understand it, the automobile industry is first, followed by the small appliances industry. The meat processing industry is third.

Senator van Roggen: Do you have any idea of the approximate gross figure of beef and beef cattle production in Canada?

Senator Argue: In 1976 the value of the Canadian beef herd was about \$3 billion. I do not have recent figures on the value of beef production *per se*.

Senator van Roggen: Is it too early yet for you to give any assessment as to the effect on the beef industry of the decline of the Canadian dollar, which decline now represents approximately twice the proposed tariff of five cents per pound as recommended in the report?

Senator Argue: I could make a guess, but I do not think my guess would be any better than that of anyone else's. Obviously, a devalued dollar tends to decrease beef prices. Whether it is as automatic as it is with other commodities, such as wheat, which is basically an export commodity, I cannot say. Certainly, it tends that way.

One might now say that the proposed tariff is not needed. We thought of that. At times the Canadian dollar appreciates; at times it depreciates. There are times when it is worth more than the American dollar and times when it is worth less. We thought there may be reasons to vary the tariff. However, for the purpose of clarity and permanence, we were of the view that there was merit in having a figure that remained constant.

Hon. H. A. Olson: Honourable senators, I should like to begin my intervention, which will be relatively brief, by commending the members of the committee, particularly the chairman, on this interim report. I feel certain, as does Senator Argue, that the recommendations within this report are going