

*Oral Questions*

consideration of whether the presence of PLO representatives in Canada is consistent with the official position of Canada regarding terrorist methods?

**Hon. Allan J. MacEachen (Secretary of State for External Affairs):** Mr. Speaker, the decision of Canada to host this particular conference was taken some time before the PLO was granted observer status at the United Nations. Of course, as my hon. friend knows, Canada voted against granting the PLO observer status at the United Nations.

**An hon. Member:** You abstained.

**Mr. Fraser:** Mr. Speaker, I would like to take it that the minister's answer is that this is inconsistent with our policy, but is the minister satisfied that such a decision is in the best interest of this country, in view of the fact that our people overwhelmingly condemn terrorist activity?

**Mr. MacEachen:** Mr. Speaker, that is not a question related to policy, it is a way by which the hon. member is expressing his own opinion.

**Some hon. Members:** Oh, oh!

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**FINANCE****SUGGESTED REDUCTION OF SALES TAX ON AUTOMOBILES—  
GOVERNMENT POSITION**

**Mr. Bill Kempling (Halton-Wentworth):** Mr. Speaker, in view of the serious drop in our automotive and automotive parts trade, will the Minister of Industry, Trade and Commerce recommend to his Cabinet colleague, the Minister of Finance, that he consider reducing or eliminating the federal sales tax on automobiles and light trucks in his forthcoming budget?

**Hon. Alastair Gillespie (Minister of Industry, Trade and Commerce):** Mr. Speaker, I would be pleased to place that representation before the Minister of Finance. While I am on my feet, it might be of interest to the hon. member to know that investment in the parts industry in Canada has not been as depressed as it has been in recent years. Indeed, there is now a trend indicating some pickup, and the investment in 1974 was the third highest on record.

**Mr. Kempling:** Mr. Speaker, will the minister consider recommending that where Canadian companies are willing to give their employees a bonus for purchasing a new automobile, that bonus will be allowed as a tax deductible expense?

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**AGRICULTURE****BEEF CATTLE—REQUEST FOR CLARIFICATION OF MINISTER'S  
STATEMENT CANADA IN DEFICIT POSITION WITH REGARD TO  
BEEF PRODUCTION**

**Mr. Stan Schumacher (Palliser):** Mr. Speaker, my question is for the Minister of Agriculture and arises from an

[Mr. Fraser.]

answer he gave yesterday concerning the status of beef, in which he stated that Canada was in a deficit position. How can the minister reconcile this deficit position with the low price of beef, and when does he expect that beef producers can recover the cost of production?

**Hon. E. F. Whelan (Minister of Agriculture):** Mr. Speaker, the fact is well known that we do not produce all the beef we eat in Canada. We have normal exporters to this country that we allow to ship beef on a quota system based on 100 per cent of a five-year average. These include Australia, New Zealand, the United States and Argentina. The stabilization price we have established may not provide all beef farmers with an adequate return, but it does give most of them an adequate return on their productivity. This is a "stop loss" program and is something the beef industry requested.

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**ENERGY****NATURAL GAS—POSSIBILITY OF FEDERAL INTERVENTION IN  
APPLICATIONS OF ARCTIC GAS AND FOOTHILLS PIPELINE  
COMPANIES**

**Mr. Eldon M. Woolliams (Calgary North):** Mr. Speaker, I should like to direct my question to the Minister of Justice, and it relates to the line of questioning in regard to the cost of natural gas. Is it the minister's intention to have his department intervene at the pipeline hearing before the National Energy Board with reference to the applications of Canadian Arctic Gas Pipeline and Foothills Pipeline Companies? If that is the case, what is the reason for that intervention? Before the minister answers I might mention that the deputy minister of his department has suggested there will be an intervention in a communication with the Canadian Consumers' Association.

**Hon. Otto E. Lang (Minister of Justice):** Mr. Speaker, I think the Deputy Attorney General indicated that the question of an intervention was being considered, and that consideration is still continuing. The point of that intervention which is being discussed involves the matter of putting before the board a view concerning the public interest.

**Mr. Woolliams:** Mr. Speaker, the phrase "public interest" could cover a lot of good things and a lot of sins. What public interest in the minister referring to? We are dealing with the law of supply and demand and with pipelines to bring gas out of the Arctic. Does the public interest have relation to considerations of the Department of the Environment or the Department of Indian Affairs? Just what is the public interest?

**Mr. Lang:** Mr. Speaker, the consideration would involve all these departments and the questions that have to be resolved in deciding whether we should intervene, as well as the kind of approach we can properly take before the National Energy Board, and the position we might be in when putting that approach before the National Energy Board in view of the other role the government plays in connection with National Energy Board decisions.