

Cattle and Beef Import Surtax

been taken then. Indeed, it should have been taken two weeks ago today.

Some hon. Members: Hear, hear!

Mr. Hargrave: I point out that the three cents a pound surcharge on live cattle or six cents on dressed meat coming into Canada will not mean an increase to the consumer. It should not be taken for granted that there will be an automatic increase. What we can expect to happen is that the supply of fat cattle in Ontario especially but all across Canada will become more current. There has been a holdback reaching serious proportions. In Ontario especially we were getting an oversupply of fat cattle, and this announcement will at least indicate to the producers and feeders in Canada that some action has been taken to correct the situation. Producers will bring their cattle out of the feed lots to the market in an orderly fashion I hope, and market conditions should level out.

In no way do I see an indication of a price rise at the consumer level. I point out to the House, however, that the substantial price drops to the feeder and producer in Canada have not yet been passed on to the consumer through the retail stores, and this is where further action by the government is surely indicated.

Some hon. Members: Hear, hear!

Mr. Hargrave: In summary, may I say that I think the cattle industry appreciates the action taken today even though it is two weeks late, that it will indeed cause the situation to level out, and that in my opinion it will not raise the price of beef at the retail level.

Mr. Elias Nesdoly (Meadow Lake): Mr. Speaker, it is rather a pleasure to be able to rise and speak about a slightly different aspect of the cattle industry than Bangs disease with which I have been associated lately, as the hon. member for Oshawa-Whitby (Mr. Broadbent) tells me. I believe that this action by the Minister of Finance is timely because I have reports from my home province of Saskatchewan that approximately 15,000 to 20,000 head of American cattle have moved into the southern part of my province and something had to be done about this matter.

I believe that the surtax will be important in the long run to the consumers because we must protect the beef producers whose costs of production have been escalating and we must maintain a viable beef industry in order to protect the interests of the consumers. If too many farmers give up beef production, in the long run the cost of beef to consumers will skyrocket out of the reach of most consumers. This step has to be taken to ensure a continuing Canadian source of supply.

I also wish to point out that this action by the government in a sense is a result of or was caused by American price controls imposed several months earlier, as a consequence of which American beef producers held their beef back from market. The U.S. price controls have now been eliminated. United States producers have a surplus of beef and they are trying to flood the Canadian market with it.

The minister says that the surtax is temporary. I hope Washington does not pressure the government to remove it earlier than the 30 days stipulated. I can assure the minister that our party will be watching closely to see if

[Mr. Hargrave.]

the surtax deserves reviewing and renewal. We will be doing this because we have to protect the interests of both the consumers and the producers.

Once again, Mr. Speaker, our party maintains it is time that we in this country started to stabilize farm products by establishing floor prices which are associated closely with the costs of production. If measures of that kind had been taken a number of years ago, many of the problems now emerging would probably not have developed.

It is time that our agricultural industry got away from its boom and bust cycles. We are at present in a boom cycle, but I just wonder when the bust is going to start appearing. Now is the time to start thinking in terms of passing legislation that will give the farmer an adequate return based on his cost of production so that we can have a steady supply of agricultural products both for our own people and for export purposes.

[Translation]

Mr. René Matte (Champlain): Mr. Speaker, we are pleased with the statement of the Minister of Finance (Mr. Turner). However, I should like to take this opportunity to make a few rectifications.

Mr. Speaker, in a country such as ours where we can produce all we need in this field, it is obviously unthinkable to purchase foreign products. It is as if we did not know where calves come from. If this were the case, we would only have to ask a bull.

I therefore think, Mr. Speaker, that the government has not taken sufficient action and that it should decide not to accept on the Canadian market any product which can easily be made here. This is especially obvious in view of the situation in the province of Quebec, where farms are abandoned, where the number of farmers has been reduced by half during the past few years, and where there are many farms which could be used to produce cattle, and especially beef. It is unthinkable that we should refuse to help Canadian farmers to increase their production if need be. It is therefore stupid to import a commodity which is plentiful in Canada when we could be helping not only the present producers, but also farmers who wish to remain in agriculture, and at the same time reduce unemployment.

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EXTERNAL AFFAIRS

TABLING OF REPORT OF UNITED NATIONS SECRETARY GENERAL TO SECURITY COUNCIL ON ARAB-ISRAELI CONFLICT, AND TWO NOTES

Mr. Pierre De Bané (Parliamentary Secretary to Secretary of State for External Affairs): Mr. Speaker, on behalf of the Secretary of State for External Affairs, I would like to table, in both official languages, the report of the United Nations Secretary General to the Security Council, contained in document S 110 52, dated October 26, as well as two notes from the Secretary General of the United Nations.