

However, it is responsible to the international committee and others for a proper accounting.

The Acting Speaker (Mr. Boulanger): Order. Is the Minister of Justice (Mr. Lang) rising on a point of order?

Mr. Lang: Mr. Speaker, I would ask if the House would agree to revert to motions for the purpose of hearing a statement by the Minister of Industry, Trade and Commerce (Mr. Gillespie) on export controls.

The Acting Speaker (Mr. Boulanger): Does the House agree?

Some hon. Members: Agreed.

ROUTINE PROCEEDINGS

[English]

TRADE

EXPORT LICENSING OF CERTAIN COMMODITIES— STATEMENT BY MINISTER

Hon. Alastair Gillespie (Minister of Industry, Trade and Commerce): Mr. Speaker, with the permission of the House I should like to make a short statement regarding the situation arising out of the decision of the United States temporarily to embargo exports of soybeans and soybean products and cotton seed and cotton seed products.

In view of the uncertainties arising out of this U.S. announcement and the speculative movements in the market, the government has decided to put Canadian exports of soybeans and soybean cake and meal, rapeseed and rapeseed cake and meal, flaxseed, linseed cake and meal and fishmeal on an export licensing basis for the time being. These controls will be effective as of midnight tonight. They will be applied under section 3(c) of the Export and Import Permits Act.

Until we are able fully to assess the availability of livestock and poultry protein feeding materials, including supplies from the United States, it has been considered necessary to take action aimed at stabilizing the market. It is the government's intention to ensure adequate supplies to meet Canadian requirements and to provide fair treatment of Canada's traditional foreign customers.

● (1600)

As hon. members will be aware, there has developed a short-supply situation throughout the world with respect to animal feedingstuffs. It is understood that early next week the United States authorities will introduce a system of export licensing which we would expect will take account of the requirements for traditional U.S. customers such as Canada. The immediate problem arises out of the heavy reliance in Canada on U.S. protein supplies, particularly of soybeans, soybean cake and meal. In 1972, for example, Canada imported 14.8 million bushels of soybeans and 245,000 short tons of soybean cake and meal.

Exports

We are in touch with our major trading partners and have notified them of the action we are taking today. In particular, the United States has been made aware of our traditional import requirements of protein materials so that they can take these into account in developing their export program. It will, of course, be essential through consultation with the United States and our other trading partners to avoid undue distortion in the market and to ensure a fair and equitable distribution of available sources of supply of protein feed supplements.

Hon. Paul Hellyer (Trinity): Mr. Speaker, I think the government is correct in its decision to subject soybeans and soybean cake and meal, rapeseed and rapeseed cake and meal, flaxseed, linseed cake and meal and fishmeal to export licensing at least for the time being until markets are stabilized and the intentions of the United States are known. There appears to be no alternative, and it is good to see the government end its task force studies and take action.

In view of Canada's heavy reliance on U.S. protein supplies, especially soybeans and soybean cake and meal, it is essential that the United States recognize its responsibility to treat Canadian needs fairly. I hope that in this respect the minister will make an unusual effort over the weekend to point out to his American counterparts in very direct language that Canada's requirements must be taken into consideration, and as an old customer our needs must be part of the American export licensing program. I would urge the government to make every possible effort now to protect the needs of Canadian consumers, and I congratulate them for having taken action in this case.

Mr. Bill Knight (Assiniboia): Mr. Speaker, I rise to comment on the statement of the minister with some hesitancy regarding the effectiveness of the move that has been taken. I support this action in terms of the serious implications of the move by the American government to curtail export of the commodities named.

I wish to point out that the move by the United States to restrict the export of these commodities into the Canadian and other markets could have an extremely serious effect as was mentioned in this House earlier, on the price of food in the Dominion of Canada. This restriction by the Americans, and their attitude, should call not for willy-nilly expressions of concern such as those used by the hon. member for Trinity (Mr. Hellyer) where we go to the Americans and say, "We hope you remember us as a regular customer in future because we who live north of the forty-ninth parallel are a nice bunch of guys". I hope this government would have the guts to say to the Americans, "If that is the attitude you take to an old, regular customer, then we will turn off the tap on the export of gasoline, oil and natural gas for a while and see how you react to that".

There are two points that ought to be made in regard to the move that the minister has announced. First, it is an attempt to bring some order into the marketing and exporting of these products in the coming months. I know the hon. member for Trinity spoke about a short-term basis or a temporary basis, as did the minister. However, I want to point out that in the statement two commodities are mentioned which the Minister of Justice (Mr. Lang)