**Mr. Douglas (Nanaimo-Cowichan-The Islands):** In view of the fact that the minister, along with the Prime Minister and some of his colleagues, has repeatedly told us that these safeguards are the strongest in the world, and in view of assurances the House has been given from time to time that in the event of any recipient of a Candu reactor building a reprocessing plant, steps could be taken to discontinue the operation and the supply of equipment and repairs, can we have an assurance from the minister that he intends to take this matter seriously and apply all the powers he has under the safeguard arrangements?

**Mr. Jamieson:** If that question had been posed originally, my answer would clearly have been yes. In other words, whatever action it is possible for Canada to take vis-à-vis that particular country, or any other country, to keep down and to prevent expansion in reprocessing, we would certainly take. I was perhaps being unnecessarily cautious by saying I would like to look at the agreement so that I could be sure. I did not want to be charged in the House tomorrow, when somebody sees the document, with having misled the House. That was the only reason.

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#### AGRICULTURE

# MILK-REQUESTED AMENDMENT OF QUOTA POLICY

**Mr. John Wise (Elgin):** Mr. Speaker, my question is directed to the Minister of Agriculture: it relates to difficulties arising from his national dairy policy. In view of those difficulties, related to the lack of adequate industrial milk supplies within British Columbia, Alberta and, particularly, Ontario, would the minister take the necessary action to revise the present quota system to take into account changing production patterns as well as changing market opportunities within the provinces?

Hon. E. F. Whelan (Minister of Agriculture): I think I know what the hon. member has in mind: it is what the Ontario minister of agriculture said when addressing a dairy group in Ontario yesterday. I say to the hon. member that he should also refer to what the Ontario Milk Marketing Board stated as reported in the same article. It is under the jurisdiction of the provincial minister of agriculture, and not under my jurisdiction. They are the ones who decide on the national quota, how it is distributed, and so on.

No one has reported to me that there is any cheese shortage in Canada at the present time. If Mr. Newman has anything he wants to put on the record, he can do it on Monday, because we are going to be meeting with the provincial ministers and that is one of the subjects we shall discuss. We do not, as federal and provincial ministers, set that quota. That is set by a group which is representative of the dairy producers and the provincial governments; they sit down with the National Dairy Commission and they are the ones who decide what the quotas shall be. So no matter what Mr. Newman says, or what I say, we abide by what that group tells us.

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**Mr. Wise:** I appreciate what the minister is trying to say, but he has the responsibility and the authority to ensure that the national dairy policy is fair and equitable to all producers in all provinces. He also has the responsibility to ensure that financial returns to the producers are maximized and that both domestic and export needs are met. Under the present policy, neither of these requirements is achieved. Would the minister consider increasing the size of the national quota to the extent which would provide sufficient products to meet domestic and export needs?

#### • (1502)

I also want to ask the minister if he would consider lowering the present \$7.50 per hundred penalty charge to encourage producers to fulfil their own individual production requirements.

**Mr. Whelan:** Mr. Speaker, if the dairy industry is healthy and if many want to get into the production of industrial dairy products, I will take full blame. If, because of the quotas we have placed on imported cheese, people are enticed into getting into the production of cheese, I will take full blame for that. Cheese production has been good. Our reserves are not much different from what they were a year ago. There is no shortage of specialty cheese; there is a tremendous increase in specialty cheese production. In Ontario alone I believe there has been about a 44 per cent increase in two years.

If the hon. member has any more facts to present, I would be glad to hear them, but nothing he has presented here today shows that anybody is suffering. Cheese producers are making more money than they ever have. Farmers in the dairy industry are making more money than they ever have.

Some hon. Members: Hear, hear!

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## **HOUSE OF COMMONS**

# PRESENCE IN GALLERY OF GUATEMALAN MINISTER OF AGRICULTURE

**Mr. Speaker:** Order, please. That happy agricultural note gives me an opportunity to ask hon. members to join with me in welcoming a distinguished visitor in our gallery in the person of the Minister of Agriculture of Guatemala, the hon. Edgar Ponciano Castillo, who is on an official visit here.

Some hon. Members: Hear, hear!

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### **BUSINESS OF THE HOUSE**

#### WEEKLY STATEMENT

Mr. Baker (Grenville-Carleton): Mr. Speaker, by way of a point of order I wonder if I might ask the Deputy Prime Minister (Mr. MacEachen) about his proposals regarding the budget. I understand that it is his intention to continue the