

Very rarely do you find brucellosis in a good farmer's dairy herd because he does not allow neighbours' dogs on his farm, and so on. But some farmers do not want to recognize the fact that they have that responsibility. We believe that the eradication of brucellosis and blue tongue are absolutely necessary to maintain the good health of our herds. We have the most disease-free herds in the world, and we want that to be maintained.

We want to be able to issue health certificates for disease-free animals which were accepted, I believe, in 131 countries of the world. That is a much better state of affairs than can be found in any other country. I think that as members of parliament we should not suggest, for instance, that blue tongue should not be eradicated. We will have to isolate the area in British Columbia where it exists, to make sure that cattle are not shipped out of there, and we are having some difficulty in that respect. Some infected herds have been found there. They have been moved to meadows and pastures up in the highlands of British Columbia, where they will stay until next fall. So we will have to do something more drastic than we have been doing up to now to bring farmers to the realization that this disease must be eradicated.

Mr. Chairman, I have been speaking too long already. I will try to answer questions as they are put to me.

Progress reported.

PROCEEDINGS ON ADJOURNMENT MOTION

[English]

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

The Acting Speaker (Mr. Turner): Order. It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Winnipeg North Centre (Mr. Knowles)—Veterans Affairs—Suggested provision of prorated pension for widows of pensioners whose disability was less than 48 per cent; the hon. member for Toronto-Parkdale (Mr. Haidasz)—Immigration—Implementation of recommendations of Dubé inquiry—Government position; the hon. member for Provencher (Mr. Epp)—Immigration—Request for early decision on application of Steven Badger for landed immigrant status.

GOVERNMENT ORDERS

[English]

BUSINESS OF SUPPLY

ALLOTTED DAY S.O. 58

House again in committee of supply to consider a certain item for the year ending March 31, 1977, pursuant to the

Business of Supply

provisions of Standing Order 58(9)—Mr. Turner in the chair.

Agriculture

Resolved, that a sum not exceeding \$35,451,000 be granted to Her Majesty for the fiscal year ending March 31, 1977, (less the amount voted in interim supply) as follows:

Vote 1—Administration—program expenditures and contributions, \$35,451,000.

Mr. Hargrave: Mr. Chairman, it should come as no surprise to members of the House that I intend to discuss various aspects of Canada's beef cattle industry. Most of my remarks will relate to the current situation, but it will be necessary to give a brief background and I hope to end with a short-term outlook for our cattle industry as I see it.

Canada's beef cattle industry has just emerged from its most rapid growth cycle in modern times. From the 1968-1969 period our beef cow numbers increased 43 per cent to a total of over 5½ million head in 1975. Even with a corresponding drop in dairy cows, in that same period the net composite increase over this seven to eight year cycle was still well over 30 per cent. Presently, Canada's total cattle population is about 15 million head. Over this period we were consistently net importers of cattle and beef, with practically all cattle imports coming from the United States and beef imports from the United States, Australia and New Zealand. Starting last fall with the heavy sale of cows, we are now definitely on the downside of the cycle and our current 1976 calf crop will likely be down by 2 per cent to 4 per cent. However, Canada still has ample supplies of cows, and currently even an oversupply of steers in various stages of growth either on grass or being finished in feed lots. We should not overlook the fact that while in 1975, 900,000 cows were slaughtered, about 300,000 more than in 1974, if we go back to the figures for 1973 and 1974 we find that the numbers were down by approximately 250,000 for each year. So we are only catching up with the average with the heavy slaughter last year.

The last two years have been difficult ones for our Canadian beef cattle industry, and no one can deny that. They have been especially difficult for the cow-calf producers and the feeding side of the total industry. The reasons for these difficulties relate to two basic factors, first, excessively high cattle populations which developed much too quickly and, second, rapidly increasing, and now sustained, high feed grain costs. The problems of our cattle industry were further complicated by some world factors such as drought, feed grain and protein shortages, inflation and realignment of several major currencies. We all made a serious error in assuming that rising beef prices at the consumer and producer levels meant a shortage of cattle on a global basis. I am sure that this was a serious error on the part of many people. But the most serious complication was a series of ill-advised political decisions in both the United States and Canada. I am referring to policies such as Canada's LIFT program, the U.S. control policy which was left on cattle and beef for six weeks after all other controls were lifted, Canada's 7 cent beef subsidy policy, and the several serious and successive retaliatory border control devices employed by both countries.

This government has developed its so-called stabilization approach for various agriculture commodities including the cattle industry, but it is now obvious that stabilization