I what the situation is. On the one hand we have the conventional manufacturers, Hawker Siddeley at Trenton, Marine Industries at Sorel, and National Steel Car at Hamilton. The philosophy is that normally rail cars are built by these conventional manufacturers.

I wish to give the Hon. Member a bit of information. For a number of reasons, it is believed that CN Transcona in Winnipeg should have a number of cars to build. The Hon. Member knows CN has been bidding for 970 cars, partly for the B.C. arm system.

Contrary to the impression given, the Transcona plant is not new in this field. It has already built all types of cars; gondola, flatcars, woodchip cars and so on. Contrary to what is often said, it does not require new facilities. Just as important, they will have 400 workers this summer whom they would like to see busy. CN has a moral obligation to try and provide work for its own people and to save the country \$1.25 million in unemployment insurance at the same time. Therefore, that is some justification.

As I said at noon, within a few days I will be announcing the decision of Cabinet. As usual, nobody will be pleased because all Parties—Liberal, Conservative, NDP—have Members either in Hamilton, Winnipeg or Trenton. It will have to be Solomon's judgment as usual, or the announcer will be shot.

On the subject of Nigeria, I was not informed of the details. I will get information and advise the Hon. Member.

• (1820)

AGRICULTURE—COMPULSORY GRADING OF BEEF CARCASSES FOR EXPORT. (B) REQUEST THAT MINISTER REVIEW SITUATION

Mr. Bert Hargrave (Medicine Hat): Mr. Speaker, my participation in the Adjournment Debate relates to a question I raised on March 7, as reported at page 23505 of *Hansard*, about beef carcass grading and the evident compulsory requirement to use Agriculture Canada's red ribbon brand.

Lakeside Packers, a packing plant in Brooks in southern Alberta, had been advised that they would be required to use Agriculture Canada's red ribbon brand on the best quality grade of carcass they were exporting to the United States. The problem was that the customer was objecting because of the fact that the American colour brand for their best grade of carcass is blue. The Americans objected and Lakeside Packers approached me because it was their understanding that while this difference in colour could have been a problem, it had not traditionally been compulsory to brand their carcasses in red, and they were worried that it would be made compulsory. They objected to that and contacted me. I raised the matter in a question to the Minister of Agriculture (Mr. Whelan). I am glad to see the Minister's Parliamentary Secretary ready to respond today.

It is my understanding, and I hope the Parliamentary Secretary will confirm this, that Agriculture Canada has now backed off on the requirement for red ribbon branding on carcasses that will be exported, provided the ultimate customer in the United States requests that no ribbon branding be used. It is also my understanding that the Government has backed off on the requirement for carcasses crossing interprovincial

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boundaries in Canada to be ribbon branded. If that is so, I hope the Parliamentary Secretary will confirm it. If that is the case, and I assume it is, I very much appreciate the fact that this situation has been corrected. I am sure the people from Lakeside Packers in Brooks, Alberta, who raised the issue also appreciate it.

I would like to comment briefly on another matter relating to beef carcass grading, the ribbing of carcasses in packing plants. Traditionally, carcasses were always ribbed at one location between two specific ribs. Recently there has been a move afoot to change the location of the ribbing by one rib. The industry as a whole was in reasonable agreement that this should be done. It is my understanding that this change has been agreed to by the industry, that it has been Gazetted and the time necessary to allow for complaints has now passed. Yet the change has still not been ordered by Agriculture Canada. I wonder what the hold-up is there. The Canadian Cattlemen's Association is still receiving queries from some of the people involved, especially in the Canadian Cattlemen's Association grading committee which deals with the subject. I believe the change would be worth-while and would make the carcass ribbing site correspond to the carcass ribbing site in the United States and in most other countries that we export to. It is a matter of convenience. I hope the Parliamentary Secretary can comment on that.

Two other items on grading deal with what I would call an unofficial beef grade, one known as A-1X. There is no such official grade, but A-1X traditionally means a very lean carcass from a Holstein steer or heifer. It is not an official grade and there is no move afoot in the form of a recommendation that such a grade be made official. I raise it only for the information of the Parliamentary Secretary. I am not advocating the introduction of an A-1X grade.

More recently there has been another unofficial grade, one that has been called an A-0 grade. This would be given to a very lean carcass from the beef breeds, not from the Holstein breeds. Again I would say that there has been no official representation from the beef grading committee of the Canadian Cattlemen's Association that would call for it to be made official. There is a slight difference with respect to the A-1X unofficial grade in that that committee did agree to study it. If the committee is studying it, it has not finished. I mention both these grades only to give the Parliamentary Secretary an opportunity to respond.

• (1825)

Mr. Marcel Dionne (Parliamentary Secretary to Minister of Agriculture): Mr. Speaker, under the Canada Agriculture Products Standards Act interprovincial and export shipments of ungraded commodities are prohibited unless the regulations under the Act state otherwise. The beef grading regulations under this Act have been designed to give some flexibility to the marketing of carcasses to ensure that markets, both domestic and export, can be readily served. The proposal to amend these regulations has been published in the Canada