

Adjournment Debate

● (2210)

In the same speech the minister stated he had imposed import quotas on beef from the U.S.A., Australia, New Zealand and Argentina until December, 1975—last year. Let us set the record straight. As early as April, 1975, the Canadian Cattlemen's Association requested the removal of those 1975 quotas because we were then on an export fat cattle market basis and it was on August 7, 1975, that the minister lifted those earlier quotas, not in December.

In the minister's speech to the Canadian Farm Writers' Federation in Toronto on this subject of offshore beef imports, commenting on the failure of the United States and Australia to live up to the "gentleman's agreement" he warned—and here I am quoting from the London *Free Press* of November 13—that Canada would "respond accordingly to those countries next year for breaking the agreement." Surely we should understand by now that retaliatory action at the border is no way to bargain successfully at the negotiating table. Canada did not sign the voluntary import beef quota agreement though other countries such as Australia, New Zealand, and Mexico did sign. And when Canadian beef exports exceeded our allotment of 64.5 million pounds, set by the United States, is it any wonder that the United States finally triggered its meat import law?

It now seems that the minister is considering the establishment of a new import-export corporation to regulate the flow of all products, including eggs. Could this be an admission that our existing import-export permits legislation is not able to do the job? Canada's recent counter-quota on beef imports was imposed under this authority, and this is the vehicle which the report of the Beef Inquiry Commission recommended. Whatever authority is devised or used to restrict present unlimited access to Canadian beef markets, that is to say after the end of 1976 quotas, it is surely time that the new legislation was administered completely by the Minister of Agriculture and not by the Minister of Industry, Trade and Commerce.

The minister is well aware of the representations on this subject of import controls which have been made to him on several recent occasions by the CCA. These are well considered and detailed examinations of the entire subject and are certainly worthy of his attention. Until now he has failed to indicate why Canada should not employ a meat import law. If he does not intend to use such a device I think he owes it to Canadian cattle producers to explain why he will not do so. The CCA has recommended that a Canadian beef import law could deal with the import situation.

[*Translation*]

Mr. Irénée Pelletier (Parliamentary Secretary to Minister of Agriculture): Mr. Speaker, on October 27, the hon. member put a few questions to the minister about the steps that had been taken to protect Canadian beef producers following the U.S. decision to set up quotas. I hope the hon. member will find tonight's answer satisfactory.

In a press release on October 13 last the Minister of Agriculture (Mr. Whelan) announced that the federal govern-

[Mr. Hargrave.]

ment was acting to safeguard the Canadian market from any disruption which might follow from those U.S. measures. That clearly indicates our intention to limit Australian and New Zealand beef imports should they threaten the Canadian market. That announcement, of course, is contrary to the comment the hon. member made on October 15, and I quote:

The announcement in no way indicates any intention to limit or reduce Australian or New Zealand beef imports.

Since at first the full effect of the U.S. measures were not obvious as regards Canadian exports and the possible movement of beef to the Canadian market, the first step of course was to establish a working basis in the form of consultations with the United States, Australia and New Zealand and put beef and veal under individual import permits. Afterwards, as announced on October 19, an import quota of 17.5 million pounds was set for the period of October 18, 1976 to December 31, 1976. The Canadian quota is based on average imports in the last quarter of the years 1971, 1972 and 1973 adjusted to provide for reductions in exports to the United States and distributed over the period of October 18 to December 31. The share allotted to each country will be based on their past performance vis-à-vis that base. Products already in transit will be included in the quotas. If the quantities exceed the country's quota the products will be kept in bonded warehouses thus respecting quotas. The clearance of meats will be controlled to reduce a possible market glut. Individual import permits will be required for each shipment under this regulation. This quota is less than that of the last quarter of 1975, 20.6 million pounds, whereas there also were import quotas much lower than those of the last quarter during the period between 1971 and 1973, 31.1 million pounds. Consequently, it is obvious that imports will be reduced, and the government took measures to protect the Canadian cattle industry and avoid any glut on the market.

In order to be imported to Canada pursuant to the regulations, the documents must indicate that the meat was in transit at midnight on October 17, 1976. No import is allowed if the destination is not specified. Diversion of meat to Canada from a third country will be eliminated.

Mr. Speaker, the hon. member indicated several times that Australia and New Zealand ignore the 6-cent agreement. The Minister of Agriculture said to the House on October 27 that he had no evidence to show that meat had been sold in Canada outside of the Agreement. Of course, there might be cases when beef meat was stored in Canadian warehouses before the agreement was put into force. Any reduction of the price of this product would be partially modified by the storage costs.

Canada kept its border with the United States open to answer the wishes of the Canadian beef producers. Up until December 1975, there were import quotas on beef meat coming from the United States, Australia, New Zealand and Argentina but at that time the beef producers asked that these quotas be withdrawn. However, since the United States have applied an import quota system, the situation has changed and we quickly took the necessary measures to offset the adverse effects of these quotas on Canadian prices.