

Oral Questions

should like to know whether the Minister of Labour will agree to intervene directly in order to prevent the possibility of a very serious national disruption of our rail services?

Hon. John C. Munro (Hamilton East): Mr. Speaker, I can advise the hon. member that the director of mediation and conciliation for the Department of Labour is meeting with the chairman of the engineers' union this morning in an endeavour to resolve this matter.

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ENERGY**CONCERN OF FARMERS OF SOUTHWESTERN ONTARIO ABOUT ROUTE OF PROPOSED OIL PIPELINE EXTENSION**

Mr. R. E. McKinley (Huron): Mr. Speaker, I have a question for the Minister of Energy, Mines and Resources. In view of the widespread concern among agricultural people in the southwestern Ontario region that an additional pipeline going through that area from Sarnia will cause havoc to a great deal of prime farmland, has he looked into every possible avenue for this pipeline and is it possible that some alternate route would serve the purpose?

Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources): Mr. Speaker, the question of route was very extensively examined before the final decision was taken to put it in effect along the existing Trans-Canada right of way through that area.

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TRANSPORT**INCREASE IN RAILWAY FREIGHT RATES ON STEEL SHIPPED TO WESTERN CANADA—GOVERNMENT ACTION**

Mr. John Reynolds (Burnaby-Richmond-Delta): Mr. Speaker, I have a question for the Minister of Transport. In view of the fact the government wants a subsidy on oil so we will have one price across the country, can the minister advise whether the government is taking any action to rescind the one-third in freight rates on steel going to western Canada?

Hon. Jean Marchand (Minister of Transport): Mr. Speaker, I have sent a wire to the presidents of both railway companies, Mr. Sinclair and Mr. MacMillan, protesting against this increase. I was informed unofficially that the increase is to be phased in, but I am still opposed to it and I hope they are going to roll it back.

Mr. Reynolds: Mr. Speaker, I am very happy to note that the minister does not agree with the increase, but I should like to ask whether the government will immediately introduce legislation to make sure there are no increases on freight rates to western Canada?

Mr. Marchand (Langelier): Mr. Speaker, knowing the powers we have, I hope I will have the support of the House if ever we want to use them in the form of a legislative instrument.

[Mr. Penner.]

THE CANADIAN ECONOMY**ACQUISITION OF MACDONALD TOBACCO COMPANY BY R. J. REYNOLDS COMPANY—GOVERNMENT POSITION**

Mr. Stuart Leggatt (New Westminster): Mr. Speaker, I should like to direct my question to the Minister of Industry, Trade and Commerce. Before the recess the minister indicated he was having discussions with the R. J. Reynolds people and the Macdonald Tobacco Company concerning a takeover which seemed to be occurring during the interim period between the passage of the Foreign Investment Review Act and its promulgation. Would he advise the House what success he has had preventing the industry from being dominated by a United States corporation?

Hon. Alastair Gillespie (Minister of Industry, Trade and Commerce): Mr. Speaker, I think I have indicated on a number of occasions that I very much regret the decision of those who sold control of this firm to the United States, it having taken place before the law could be promulgated. This particular transaction went through before we had an opportunity to screen it. As to the question of significant benefit to Canada, we have had and are still having useful discussions with both companies. They have I think, expressed a genuine interest in trying to meet the test of significant benefit to Canada but in my opinion they have not yet done so. We will be having further discussions on that point.

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AGRICULTURE**POSSIBILITY OF TARIFFS AND QUOTAS ON BEEF IMPORTS FROM UNITED STATES TO ASSIST CANADIAN INDUSTRY**

Mr. Don Mazankowski (Vegreville): Mr. Speaker, I should like to direct my question to the Minister of Agriculture. In view of the very serious problems that plague the livestock industry, are he and his cabinet colleagues giving serious consideration to the institution of a system of reciprocal tariffs and proportionate quotas as proposed by the Canadian Cattlemen's Association in respect of the movement of beef between the United States and Canada, or is any consideration being given to the implementation of upper limits on beef imports into Canada from the United States in order that we may save the beef industry in this country?

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, I can say that all the suggestions made by the Cattlemen's Association and by other associations, including the beef improvement association, the stock growers and the feedlot operators, as to what should be done are all being considered. We are meeting with the Canadian Cattlemen's Association later this afternoon.

I should like to correct one thing that was stated earlier in the proceedings today to the effect that 60 per cent of the cattle coming into the Toronto market were coming from the United States. Last week the figure was 45 per cent, which is still very bad as far as I am concerned.