

Marvin Moore, Alberta's Minister of Agriculture, has indicated that the Alberta government will sign the agreement but he also has given formal notice of withdrawal from the agency. One year's notice of withdrawal is required. . . Mr. Whelan had sought unanimous approval from provincial governments and provincial egg marketing boards before agreeing to CEMA's request that the government impose egg marketing controls—

Heavy retaliation would not be inconsistent with recent U.S. performance. The controls that were imposed by the United States after Canada set up its beef import quotas were regarded by Canadian officials and cattlemen as punitive and, indeed, spilled over to an agricultural sector that the Canadians had not touched—hogs.

In a statement Mr. Moore said that Mr. Whelan has agreed to reopen immediately negotiations with the United States on the lifting of the border controls on livestock trade. He added that he would sign the agreement some time next week, with 'great reluctance.'

On July 5 of this year Mr. James Rusk wrote more on this subject in the *Globe and Mail*. He said:

—Alberta . . . decided to sign after Mr. Whelan applied extraordinary pressure, including a threat to allow imports into it but not other provinces and a withdrawal of the right of its egg board to impose levies.

None of this was mentioned in Mr. Whelan's statement. The minister referred to the revised CEMA agreement and said the government now is in a position to impose import controls.

Mr. James Rusk, author of the article entitled, "Food prices board critical of Ottawa for egg price rise" in this morning's *Globe and Mail*, mentions some questions the Food Prices Review Board asked the government. His article, in part, reads as follows:

—'Was the government aware of and did it concur with the Minister of Agriculture's use of coercion in threatening two provincial governments—Alberta and New Brunswick'—with a number of actions if they did not sign the agreement? The board made public a Telex message from Agriculture Minister Eugene Whelan to provincial ministers of agriculture that made four threats against the two provinces if they did not go along.

These included possible flooding of Alberta and New Brunswick egg markets with eggs from other provinces, a discriminatory import policy that would allow U.S. eggs to enter only Alberta and New Brunswick, removal of the power for indirect taxation by the two provinces' egg boards and restriction of interprovincial trade, according to the board contrary to the British North America Act, by controlling trade from Alberta and New Brunswick to other provinces.

Those articles, particularly the last I quoted, show the real possibility of United States retaliation affecting our agricultural trade.

I want to talk about a current development which may intensify the United States hard line in trade. Of course, I am referring to last week's announcement on the CEMA import control program. The Alberta minister is not the only one concerned. Others see the danger to Canadian cattle and hog industries. Quite properly, Mrs. Plumptre, head of the Food Prices Review Board, drew attention to the serious possibility of United States retaliation affecting our agricultural trade. Several of my colleagues, including the hon. member for St. John's East (Mr. McGrath) and the hon. member for Vegreville (Mr. Mazankowski) raised this matter last Tuesday during the question period, but I feel the minister did not respond adequately.

At the Kamloops meeting, the British Columbia Cattlemen's Association, by resolution, voted two to one in favour of the income assurance program to which I earlier referred. British Columbia costs for the program have been estimated at between \$20 million and \$27 million, but

Agricultural Stabilization Act

bear in mind that the British Columbia beef cattle population is relatively small. It was estimated at that meeting that a similar program in Alberta and Saskatchewan would cost about \$400 million, because of the larger beef cattle populations of those provinces. The Saskatchewan minister of agriculture estimated that the program would cost his province \$186 million.

In another resolution at the Kamloops meeting, the British Columbia Cattlemen's Association was instructed to "make the strongest possible representations on both provincial and federal levels to have a beef program initiated under Bill C-50 that will establish federal financial participation in beef farm income assurance". I reported to the convention when debating this resolution, that Bill C-50 had just cleared our standing committee, and that it was probably too late for anyone to appear as a witness. I suggested that the British Columbia cattlemen should communicate immediately with the federal government on the matter covered by the resolution. I understand they did this.

Surely, the Minister of Agriculture realizes that the B.C. assurance proposal involves top-loading at its worst, or best, depending on your point of view. Surely, he knows that federal financial participation greater than the 90 per cent of the five-year average, together with cost of production indexing, cannot be permitted under amended clause 6, as that would give B.C. cattle producers a financial advantage over other producers in Canada, and there would be an incentive to overproduce this commodity, which is the last thing the Canadian cattle industry needs today.

● (1130)

I want to remind the House of the provisions of the minister's two amendments on this top-loading feature. They are most important. I quote from clause 6:

"10.1 (1) . . . the Governor in Council may authorize the Board to enter into an agreement with those provinces or producers or provinces and producers as the case may be, to provide for such greater prescribed price, unless he is of the opinion that such an agreement

(a) would give a financial advantage in the production or marketing of the commodity not enjoyed by other producers of the commodity in Canada; or

(b) would be an incentive to the producers of the commodity who are to be parties to the agreement or for whose benefit the agreement would be entered into, to over-produce the commodity."

Those are the two amendments which the minister introduced. I sincerely suggest that the top-loading feature of the British Columbia program violates those two provisions on top-loading. In sharp contrast to the British Columbia Cattlemen's Association convention, the Saskatchewan Stock Growers Association, which represents far more cattlemen than the British Columbia association, at their annual meeting several weeks ago passed two significant resolutions. This association has a membership of about 6,000. The first was a resolution in opposition to a cattle income assurance program similar to the B.C. plan. The second was a resolution restating their continued opposition to the supply-management concept for their cattle industry.

During our committee hearings on Bill C-50, one of the better presentations was made by the Ontario minister of agriculture, the Hon. William A. Stewart. I want to quick-