

Supply—Trade and Commerce

during the past two months, and therefore from a practical point of view I do not think that will have very much significance as far as we are concerned.

Mr. Olson: Will the minister permit a question?

Mr. Harkness: Yes.

Mr. Olson: The figure of 120,000 head per quarter is used and 400,000 head for the year. Would the minister explain why that is so because four times 120,000 is not 400,000. The two figures do not jibe.

Mr. Harkness: I think I just explained that but I will explain it again. The total number of cattle over 700 pounds, primarily beef cattle, which the United States allows to enter that country under a duty of 1½ cents a pound is 400,000 head in a year. As soon as there are more than 400,000 head the duty goes to 2½ cents a pound.

Mr. Gardiner: That is from all countries.

Mr. Harkness: That is from all countries, but at least in recent years the only countries which have exported live cattle to the United States have been Canada and Mexico. There is a further provision which I understand is to prevent the whole 400,000 head entering the United States in one bunch and thereby disorganizing their markets. That provision is that during any three month period of the specified year the maximum number which can enter that country is 120,000, and that is how the 120,000 figure comes into the picture.

Mr. Irwin: May I ask the minister a question? Suppose the full quota was filled for the first three quarters. That would amount to 360,000. That would leave a balance of 90,000 in the 400,000 maximum. Would that mean that in the fourth quarter they could export only 90,000 head at the 1½ cent rate? Furthermore, does the 400,000 head include slaughter cattle under 200 pounds?

Mr. Harkness: With regard to the first question, if there were 120,000 head in each of the first three quarters that would make a total of 360,000 head and therefore in the fourth and final quarter we could only export 40,000 head at the 1½ cent duty, not 90,000. But you can export as many as you like at the 2½ cent rate. There is no limit on the number that can be exported at the 2½ cent rate of duty. Calves under 200 pounds are not included in this quota. Just a moment, I will check on that. Yes, calves are included. There is a basic duty of 1½

cents on slaughter and feeder cattle entering the United States weighing under 200 pounds or over 700 pounds.

Now, Mr. Chairman, there were two or three other points which the hon. member for Melville brought up about which I must say I am not in agreement. I think perhaps they are matters which would more properly be discussed on the estimates of the Department of Agriculture rather than when we are dealing with the estimates of trade and commerce. The matters that he raised in connection with eggs, fowl and so forth, I shall therefore leave until a later time.

Mr. McCullough: I am sure the committee will appreciate the explanation the minister has given. I think the previous explanation he gave concerning exports of beef cattle to the United States was in answer to a question of mine. I asked the question because I appreciated the concern of exporters of cattle in western Canada. I should like to ask the minister a question now in further clarification. I believe he said that a record of the sales would be made and if there was an extra duty of 1½ cents it would be refunded to the exporter. Could the minister explain how the producer might avail himself of this rebate or what effect it might have on the farmer who has put his cattle in the hands of an exporter and has been paid. Does he have to wait for a refund?

Mr. Harkness: It would all depend on the way in which the producer disposed of his cattle. If he put them in the hands of a commission agent to ship to the United States and sell for him, of course he would get back the cent a pound duty when it was rebated. On the other hand, if he sold the cattle to a cattle dealer, he would have lost his interest in them and the cattle dealer would get whatever price he could. In some cases, of course, if the duty were charged the cattle dealer would lose money.

Mr. Lewry: Mr. Chairman, I wish to join with others in this house in extending congratulations to the minister on his appointment, and to express the hope that he will be able to do a more acceptable job of work for our western farmers in the matter of trade than has been the case in recent years. I rise mainly to suggest to the minister that he should get off his big fat surplus of wheat and sell it. I do wish to say that I was somewhat disappointed with the attitude of the minister in connection with the disposal of the wheat surplus.

Prior to the calling of this session of parliament we in the west read on more than one occasion that the new minister was going to follow an aggressive sales policy to assist