

Oral Questions

● (1450)

AGRICULTURE**DAIRYING—FEDERAL ROLE IN GRANTS PAID BY QUEBEC**

Mr. Léonel Beaudoin (Richmond): Mr. Speaker, I should like to direct a question to the Prime Minister.

In view of the fact that Quebec and Ontario producers of industrial milk are experiencing the worst year of their lives, causing the Quebec government to grant \$21 million to those producers; and since the Speech from the Throne does not mention any agreement or change in policy in this connection, can the Prime Minister inform the House whether this \$21 million grant paid by the province of Quebec to its industrial milk producers was made unilaterally, without consulting the federal government, or whether this is merely a provincial matter from which the government intends to hold aloof?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the hon. member seems to care little for the taxpayers' money when he suggests that the government is holding aloof from this matter, when it is in fact paying milk producers close to half a billion dollars in loans and grants. I think they get something like \$150 million in grants alone. The hon. member may well be impressed by the millions of dollars given by the Quebec government, but he ought to consider also what the federal government is giving.

As a matter of fact, we are aware of the difficult situation of milk producers in Quebec and elsewhere in Canada, and the cabinet is looking into this matter in order to find some other remedial action.

Mr. Beaudoin: Mr. Speaker, I would like to ask a supplementary question.

First of all, I would like to thank the Prime Minister for making clear the point concerning long and short term loans to farmers, even though we were already aware of it. In view of the fact that the federal government granted the loans and that farmers must now meet their obligations, except for those concerning farm credit which may be reimbursed within a year or so but which nevertheless must be paid back some day, will the right hon. Prime Minister tell the House, considering the consultations he held with Quebec about this most important issue, as our milk producers are unable to meet their obligations, if the government holds a positive view of the action taken by that province, namely helping with an area of production which is none of its business and falls under federal jurisdiction, I am referring to industrial milk? Will the Prime Minister tell the House if the government holds a positive or a negative view of the whole matter?

Mr. Trudeau: Mr. Speaker, the hon. member says again, in his question, that loans alone are involved here. Obviously he is not familiar with the matter because about a quarter of a million dollars were paid to milk producers in grants. I say again that this is a considerable amount for the farmers.

When the hon. member says that the Quebec government pays out money to a sector which does not concern it in any

[Mr. Lalonde.]

way, he again proves his ignorance of the situation: surely he must be aware of the fact that quotas are set jointly by the provincial and federal governments and that an important part of the administration is left to the provinces. So, to my mind, in this specific regard, one is ill-advised to claim that the Quebec government, or any other provincial government, is the only one to do something for milk producers, because that is simply not true.

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[English]

EXTERNAL AFFAIRS**DISCUSSIONS WITH UNITED STATES ON OWNERSHIP OF GEORGES BANK—REQUEST FOR REPORT**

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I wish to direct my question to the Secretary of State for External Affairs and at the same time congratulate him upon his new appointment. At the present time a large proportion of Canada's groundfish stocks and almost all of our \$30 million scallop industry is caught in an area known as Georges Bank, whose ownership is now claimed by the government of the United States. In light of the economic importance to Canada of the ownership of this bank, will the minister advise whether he, any of his officials, the Minister of Fisheries or any of his officials have held recent discussions with the United States over the ownership of this bank? If so, can he give a report to the House on the outcome of those talks?

Hon. Donald C. Jamieson (Secretary of State for External Affairs): Mr. Speaker, I thank the hon. member who I believe comes from the largest fishing constituency in Canada. Without looking at the record, I will not accept whether the value figures he made reference to are correct. On the second point, in recent weeks there have been two separate sets of discussions between Canada and the United States on this question of the extension of what I suppose we can call the marine boundaries. This is one of the most important matters that will come up during my meetings in Washington on Friday. Some progress is being made, but as the hon. member knows, it is a quite complex question. It may take several other sets of meetings to resolve it satisfactorily.

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AGRICULTURE**REQUEST FOR STABILIZATION PROGRAM FOR COW-CALF PRODUCERS**

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, in the absence of the Minister of Agriculture, I will direct my question to the Prime Minister. If possible, I would prefer if he answered it. In view of the economic condition of cow-calf operators across this country, which is so severe it almost borders on creating an emergency for the whole country in the future, will the Prime Minister assure those producers that his