

*Meat Import Act*

The fourth item is that the cattlemen have long and very bitter memories of 1976 when they suffered through enormous, uncontrolled offshore beef imports from Australia and New Zealand at a time when we permitted unrestricted access to Canadian markets. This single factor may very well be the most important to cattle producers in their reluctance to rebuild their breeding herds. By the same token, this factor may be the most important reason for the need for this meat import legislation.

I would like now to make some comments about the proposed meat import legislation itself. We should not be timid in formulating our first Canadian meat import legislation along the lines of somewhat similar United States legislation. After all, they have had their legislation since 1964 and have recently amended their act to recognize recent changes in meat import trading patterns.

From our point of view as Canadian cattle producers, there are possibly four principles which should be recognized in any system that regulates meat import levels. First, there is an historic basis. Obviously, any new meat import policy must take into account our previous import levels and the historic market share enjoyed by our trading partners. Essentially, only three other countries are involved: the United States, Australia and New Zealand. While there are other countries, the volume of their meat trade is not significant.

The second factor is predictability. Both exporting countries and our domestic producers should be able to plan ahead with some guarantee of import levels, under what circumstances these levels may be expected to change, and by how much.

Third is the relationship to domestic consumption. There should be some reasonable provision for import growth with an increase in our domestic market, but not to such a degree that it discourages our domestic production.

Fourth is the relationship to domestic supply. It is not widely accepted that the concept of counter-cyclical quota levels is to guarantee Canadian producers that during the peak cycle periods we will not be overwhelmed with imports as we were in 1976; and conversely, at the low cycle points, such as we have now, increased imports might be expected.

It is worth noting that presently all four countries concerned—Canada, the U.S.A., Australia and New Zealand—are experiencing the same low point in the breeding cycle and, to a slightly lesser degree, also in the beef supply cycle. Because of this, Australia and New Zealand were unable to fill their quota allocation in 1980, and very likely this will happen again in 1981. However, the North American continent is not short of meat or meat supplies in any form because of very generous supplies of pork in both Canada and the U.S.A. It is also worth noting that domestic pork production in Canada is now equal to, or slightly higher than, beef production.

Under the heading "Interpretation" in Bill C-46, since the proposed act is somewhat parallel to the United States meat import act, it is worth noting that, like the U.S. act, it does not include live cattle, pork or canned meats. We on this side agree with this interpretation. I would add, as a comment on that,

that the two-way live cattle trade between Canada and the U.S.A. is of such special historic significance as to preclude live cattle from the provisions of this meat import bill. We in Canada should never forget that we are next door to the highest and most dependable cattle and beef market in the world. However, we would suggest that under "Interpretation" the term "meat" should include mutton and goat meat. After all, we have a sheep industry that is presently enjoying a modest comeback.

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If the United States' approach of using voluntary quota levels for exporting countries is to be followed, then the so-called trigger level must be very carefully determined as the result of recent levels of guaranteed minimum access and the anticipated human growth factor in Canada.

In this respect, many Canadian cattle producers feel that the problems created for this proposed bill by the agreements negotiated under the last GATT are so serious as to question seriously the anticipated usefulness of this meat import law. I think the effort is worthwhile but the implications of the last GATT exist. I know the minister is well aware of this. In my opinion, what is necessary is that the government renegotiate the last GATT agreements with respect to Canada's guaranteed minimum access levels and the human population growth factor with our trading partners. Quite frankly, in my opinion, in those last GATT negotiations Canada was clearly out-negotiated, particularly on the human growth factor. It is highly significant that the United States did not agree to a similar condition.

We are concerned that unnecessary and excessive discretionary powers have been provided in the bill by the minister. We suggest there is room here for political manipulation of quotas. These discretionary powers should be very narrowly prescribed and clearly defined. Surely this is another case where the ultimate opportunity to amend the legislation and bring it back before Parliament still rests with the government.

While the bill provides for establishment of an advisory committee, we feel that there should be a direct requirement in the act that the Minister of Agriculture (Mr. Whelan) consult with the industry, since it might be possible under this proposal that the minister would consult his advisory committee only and not the commodity groups that are ready and able to give experienced and competent advice.

In conclusion, I want to suggest that Canadian cattlemen have always felt that some reasonable beef import legislation is an essential element in any policy designed to stabilize beef supplies in Canada. Both before and after the passage of this bill, Canada will still have the most lenient and generous beef import policy of any major beef importing country in the world. I know the minister would agree with that. But let us not forget 1976!

The Canadian Cattlemen's Association has been promoting such legislation since 1970. As I outlined in my opening remarks, it first proposed the concept to the then minister of agriculture, the Hon. H. A. Olson. After second reading today,