

Customs Tariff (No. 2)

importation of fruits and vegetables both fresh and processed. The position of the growers has been affected to such an extent that this section of the agricultural industry is presently experiencing tremendous hardship. This is borne out by the large number of representations made to the government from time to time by farm organizations.

I listened to the minister's speech with interest and later I read it over so that I could understand its full import. As I read the speech I realized that once more this issue was being approached on the basis of expediency rather than of a well thought-out plan of action. The minister said:

The lowering of the tariff will help reduce the upward thrust in the cost of living, not only by reducing the price to Canadians of many imported goods, but also by the effect it will have in pressing many Canadian producers to moderate their prices in order to remain competitive.

There are three points here: first, to fight inflation by lowering the cost of living; second, to reduce the cost of food to the consumers of Canada; and, third, to force producers to charge more competitive prices. Consider what has happened, Mr. Speaker. There has been no effect on the cost of living. The cost of food has increased at the fastest rate ever experienced in Canada. There has been no effect on consumer prices; consumers are paying more for food than ever in the history of Canada.

As for forcing producers and processors to moderate their prices in order to remain competitive, this is nothing new as far as the government is concerned. The policy of tariff reduction has obliged producers and processors to engage in this practice for years to such an extent that there is no room left for manoeuvre. Producers and processors have tried desperately, through increasing use of technology, to become more competitive. Every time they succeed in becoming competitive, the government takes action to destroy the results of their efforts and does so without consulting those directly concerned.

Let me give one example of what has happened as a result of government intervention. I need only point to the sugar industry in southwestern Ontario. Because international sugar prices were so low, and because Canada was a signatory to the international sugar agreement, sugar beet growers were unable to derive sufficient income from their production to make it feasible for them to continue to produce. In these circumstances the government made a subsidy available to the growers so that the industry might be maintained. This was not done out of the goodness of heart of the government; it was an acknowledgment of the danger of war. We wanted this as insurance in the event that offshore supplies were cut off, so we would have available this sugar beet crop. I suggest the government took this expediency at that time to insure that there would be sufficient Canadian production of sugar in order that we could carry on.

● (1640)

Then what happened? Without consulting the primary growers of sugar beet, the federal government decided it would not pay a subsidy on sugar beet grown in southwestern Ontario. For the sake of approximately \$700,000 which, in terms of Canadian money today does not mean a great deal, we lost an industry which provided employment for 4,000 people. We lost a number of successful farms and a viable industry in southwestern Ontario. Now

[Mr. Danforth.]

the government contemplates the restoration of this industry at a cost of \$30 million to \$50 million. It would seem that government expediency is very costly. We lost that industry and it will remain lost to us for perhaps another ten years.

When the government reduces tariffs we can only expect Canadian crops to disappear. I have mentioned sugar beet but I can recall literally acres of celery growing in Ontario—this is a very high cash crop—which disappeared because this government would not subsidize freight rates and remove certain tariffs. I could refer to lettuce as another striking example of what happens when the government removes tariffs. At one time there was a tremendous tonnage of lettuce produced in the wintertime as a prime crop in southwestern Ontario but because there was not adequate protection, in respect of importation, to the markets in Toronto and Montreal, the growers of these crops were forced out of business. They no longer operate as lettuce growers, and domestically grown lettuce has disappeared from our marketplaces.

As Canadian consumers, we are subject directly to world markets and very often the prices we pay bear no relationship whatsoever to supply and demand. The importation of primary foods is controlled by a few large corporations. I could refer to a number of products including melons, peppers, rhubarb and asparagus, all of which were tremendous tonnage crops at one time in Canada but which have now disappeared as primary Canadian crops. These foods are no longer available as a result of constant government intervention.

One does not realize the tremendous part the government plays in respect of the production of food in this country. We have marketing boards which regulate in respect of almost every phase of food production in Canada. We have government regulation in respect of production and delivery quotas. We have government regulation in respect of inspection of produce, regulating that which shall be placed on the market. We have government regulation in respect of the size and shape of packages. We have government regulation in respect of the colour of those packages and the printing which appears on them. We have government regulation in respect of how the food shall be transported to market and how it shall be sold. We have government regulation in relation to how this food shall be displayed. A producer can no longer go into town and offer his wares for sale on a direct basis, because of these regulations. We have regulation in respect of the fertilizer that will be used and the insecticides that are permissible.

All these government regulations have a bearing on the standard of living of primary producers. Is it any wonder that producers in this country are going out of business? We also have regulations in respect of unemployment insurance and the filing of various reports with government agencies such as Information Canada. We have regulations in respect of the use of land and we direct the disposition of that land. We even have government regulations that prevent the sons of farmers from building homes on the family farm. It is no wonder the farmers of this nation are crying "enough".

This government, like others, has received representations from various farm organizations across the country