

Customs Tariff (No. 2)

of the particular items. Many of my colleagues wish to speak to the minister about the budgetary proposals dealing with Customs tariffs that affect their parts of the country.

The minister did not go west this past weekend. Some suggest he should have. He probably would have, had he listened to the comments, some of which were pretty pithy. Some of his colleagues went west to hear something, and I do not mean siren songs. They will be the ones singing the siren songs. Westerners are proving hard of hearing on this point. The minister will hear from all parts of the country regarding these proposals.

As I said, I find this the least attractive part of the budget, if the minister is trying to substantiate the thrust of the budget and rely on changes in Customs tariffs. That combination of events and the inability of the government to deal with inflation will be an exercise in frustration. Perhaps the minister could forecast that happening. Perhaps the reason for having an automatic date for the restoration of these cuts was so that he or someone else would not have to come before the House next year or the year after and confess the abject failure of this particular move to deal with our present problems. In this way, he will not have to ask the House to pass legislation to restore the tariffs to the former level. That would really be leaving oneself open to flagellation. The minister has protected himself, or someone else, by making February next the cut-off date of these tariff cuts.

● (1520)

Mr. A. P. Gleave (Saskatoon-Biggar): I wonder, Mr. Speaker, how important these changes are likely to be in directing the economic trends, particularly in relation to agriculture. I wonder how the department concerned proposes to assess the effect of these tariff cuts as distinct from the other factors which are at work in the economy, factors which I suspect are having a far greater effect on decisions made both by individuals and corporations.

I did not notice here any reference to farm machinery, but I would point out that at least two firms in Canada have been importing tractors and other machines from Germany, Sweden and other European Countries. The devaluation of the dollar has made these machines about 18 per cent more expensive than they were some 12 months ago, the last time I checked. Since then, the dollar has again been devalued in relation to the mark, so the additional cost to the Canadian consumer will be correspondingly greater. A spokesman for the Volkswagen firm announced publicly not long ago that the cars which their agents were exporting into the United States were becoming so expensive as a result of the altered exchange rate that this manufacturing company would be operating not at a profit but at a loss.

Against this background of a disorganized world monetary situation, the tariff rates which one nation or another imposes, such as preferential tariffs, most favoured nation tariffs, general tariffs and so on are, I suspect, playing only a secondary role in deciding what will or will not be imported into a country. It is with this aspect of our economy that the Minister of Finance (Mr. Turner) and the government should be concerning themselves. I have heard no statement from a minister of the Crown on this

[Mr. Lambert (Edmonton West).]

subject. We do not know what the settled policy of the government happens to be.

I believe the minister should make a statement to the House, before the recess, concerning the relationship of the Canadian dollar to the U.S. dollar, the role the government is playing in international discussions and the leverage, if any, it is trying to exercise or is capable of exercising at the international level. There are few industries in Canada more seriously affected by monetary policy, when it comes to exports and imports, than agriculture. I suppose the pulp and paper industry and the lumber industry face the same challenges.

Another matter with which the government should concern itself is the ability of Canadians to feed themselves. A couple of weeks ago we noted the reaction to the United States policy of controls on the export of certain cereals and oil seed crops. The Canadian government respond by taking similar action. Today during the question period we heard an hon. member asking about the importation of hay into Canada. This provoked some laughter in the House, but it is not really very funny because a farmer who needs hay is like a Texan with his gun: when he wants it, he wants it damned bad. And when we talk about a shipment of alfalfa pellets, we must remember that alfalfa pellets are protein, and protein is what the controls are all about. Again, the tariff structure is not the most important factor involved.

There is something else which it seems to me tariffs do nothing to control, and that is the cost of food. On Saturday I made a tour through the stores along with my wife and made note of the amount people were having to pay for tomatoes, for example—69 cents a pound, and more. Tariffs are not governing the price of tomatoes, Mr. Speaker. It is the people who bring them in, the wholesalers and the retailers, who are governing the price of tomatoes and deciding what consumers shall pay.

We in this party have expressed concern about what is happening to the consumer. We have repeatedly asked that the Prices Review Board become active and begin to do a job on behalf of consumers. Mr. Speaker, the silence with respect to this review board is deafening. Somebody raised the question in committee of the salaries paid to board members. Whatever it is, is not the real question. They should be on the job now, in the stores in Ottawa, Toronto, Saskatoon and Regina protecting the consumers of this country. The government removed the tariff on beef entering Canada from the United States. It did so without calling for any balancing concessions from the U.S.A. But the increase in the price of beef was not halted. The answer to the increase in beef prices lies in part with the Prices Review Board and, in part, in producing more beef to meet the needs of Canadian consumers.

● (1530)

Instead of having an agricultural policy directed toward the objective of producing more, we have a policy that results in the abandonment of farms. To see this, all one has to do is read recent editions of the *Globe and Mail* which have described the abandonment of farms within a 50-mile radius of Ottawa. Some of these farms are being planted in flowers. One has heard about the playful bull that spent his time sniffing the daisies: this is the trend