• (2130)

Consumers are bearing substantial increases in food costs. U.S. trucking costs have increased 45 per cent since last winter, and those increases are expected to drive imported food prices to record highs this winter. The increases in gasoline prices in Canada which the government is about to impose, will further drive up prices, as the energy costs involved in the food chain—transportation, storage, processing and packaging—are passed on to the consumer. The decline in the dollar will add 15 per cent to the cost of imported foods. When imported foods become more expensive, we have seen that domestically produced foods go up in price too, because there is less competitive pressure from imports.

In all these circumstances, this bill which is before us and which is left over from the previous Parliament, is necessary, and it is also very necessary that other measures be introduced. I hope that when this bill is passed, the government will introduce its own measures in response to the current situation. The food policy group, for instance, in the consumer affairs department needs to be strengthened, not, as rumour emanating from the new government would have it, included in the Department of Agriculture. With this change, it would be difficult to see how this group could maintain a strong, independent voice for consumer interests.

Food policy decisions which have been in abeyance need to be implemented. The new government has said that it is committed to bringing down the cost of inflation. One of the key places to start is with food prices. People must shop for food every week, and when they are faced with increasing food prices it tends to trigger more demands for wage settlements as people become concerned about how they will cope with the cost of living. While I commend the government for belatedly introducing this measure, I would also point out to ministers that, in our present circumstances, it is a very small measure. I trust that they will soon bring in their own measures and address the question of rising food prices.

Motion agreed to, bill read the second time and the House went into committee thereon, Mr. McCain in the chair.

On clause 1—

Mr. Breau: Mr. Chairman, as we begin consideration of clause 1 in Committee of the Whole, could the parliamentary secretary indicate exactly where the changes are? I understand that there are some changes in this bill in the ways and means motion of this Parliament as compared to the motion in the previous Parliament. We will give the parliamentary secretary a minute to get organized and for the officials to be seated. Before we go any further, we would like to know what the changes are.

Mr. Ritchie (York East): Mr. Chairman, I will start by giving some of the changes involved, and when the officials arrive I will make sure whether or not I have the complete list. The change on canned pears from Australia has already been mentioned. It extends the phasing out of the preferential tariff by a year and gives a slightly more favourable rate in the interval than the original ways and means motion of the last Parliament. There is an inclusion, and I believe this is a change which is not related to fruit and vegetables. It extends numerous temporary tariff reductions on consumer goods which were scheduled to expire on June 30, 1979. Most of these were originally introduced in the budget of February, 1973, and have been extended from time to time since. The main products subject to these so-called temporary reductions are raw sugar, motor vehicle parts, cameras and films, vacuum cleaners, pharmaceuticals, chinaware, bottles, and hand tools.

These temporary reductions will become permanent when the bill is introduced on the results of the multilateral trade negotiations and is enacted. There is I believe one other change with regard to sugar. The temporary rates on sugar and related products now in effect were based on the recommendations made by the tariff board in its 1971 report on sugar. By virtue of this bill these rates will be continued indefinitely rather than just to June 30, 1980, as provided in Bill C-51 in the last Parliament. Those are the changes about which the hon. member inquired.

Mr. Breau: While on clause 1 it is customary to make some general comments. The hon. member for Windsor West mentioned to the Minister of Finance that perhaps the other bill could be tabled and, before it is passed to third reading, referred to a committee of the House for detailed study as was done ten years ago when the Kennedy Round was brought before the House. This would do two things: it would give hon. members an opportunity to study the bill in greater detail, and it would facilitate the passage of the bill when it comes before the House again. This is the approach that we hope the government will take. Can the parliamentary secretary tell the House whether that is the government's intention?

Mr. Ritchie (York East): Mr. Chairman, I have not consulted with the minister on this matter, but I thought about it myself in the interval. It seems to me to be a very sound suggestion. However, subject to checking with the minister, I cannot confirm just what we will be doing.

Miss Nicholson: Mr. Chairman, what will the situation be with regard to cheese? As part of the GATT negotiations, I understand that we agreed to allow the Europeans access to our domestic market. During the election campaign, when the Prime Minister was leader of the opposition, he said in a speech in southern Ontario and one in Quebec that he intended to reduce the import quota on cheese by ten million pounds. I am not quite sure at this point whether we can take as the government's intention, the GATT agreement of last June or the Prime Minister's statement when he was leader of the opposition, during the election campaign.

• (2140)

Mr. Ritchie (York East): Mr. Chairman, I will have to take that question as notice because I am not informed on the subject and it is not, of course, affected by the current bill.

Clause agreed to.

On clause 2—

[Miss Nicholson.]