New Zealand Trade Agreement Act

the Government of New Zealand that the importation of such goods would prejudicially or injuriously affect the producers or manufacturers of similar goods in Canada,—

Since, with Bill S-4, this clause is eliminated, the protection which used to be granted to the Canadian producers would also be eliminated.

I remember that, last year, at the time of the visit to New Zealand of the Prime Minister (Mr. Trudeau) it was said on television that the Prime Minister would have stated that the Canadian government's dairy policy was aimed at reducing production to allow the New Zealanders to export their dairy products to Canada.

Now, Mr. Speaker, at the end of December, Mr. Roland Pigeon, President of the Coopérative fédérée de la province de Québec, sent a telegram to the President of the Canadian Dairy Commission and requested that the Commission's regulations be amended so as to protect dairy production and prevent a possible shortage of dairy products in Canada.

This is why I am rather worried and this is the reason for my remarks. I would like to know what is the actual purpose of Bill S-4. Is it really to permit the importation into Canada of competing products and to enable New Zealand to export here what we have already in sufficient quantities to a point that the government has already thought of penalizing the producers that would exceed their quotas? Everyone knows that if production exceeds the quotas set by the Canadian Dairy Commission, the producers are subject to a penalty of $1.25 per hundredweight.

• (9:20 p.m.)

What happens when we deal with some country? I am for trade with the Commonwealth countries and others in the world. This is quite normal. But I believe that we should not import goods likely to affect labour, production or income within some sector of our society.

It might be argued that butter from New Zealand can be obtained at 45 cents or 50 cents per pound. In turn, I might say: A pair of shoes from India can be obtained at $2. Also good quality shirts can be obtained from Japan at $3; the same rationale could be used concerning many other goods and many other staples.

By always importing what is cheaper elsewhere, we stifle industrial development at home, prevent our industries from expanding and producing, and deprive Canadian workers of their jobs. Before long our country might become an importing country only for the fact that other countries are able to produce goods at lower cost.

I wish we were told exactly what is meant by "goods the growth..." This is what we find in the bill:

2. Goods the growth, produce or manufacture of ... into New Zealand—

What does this mean? Have we established what are the goods the growth, produce or manufacture of New Zealand which will be imported?

That is what I wanted to stress so as not to be told some day: We would have told you if you had asked about it. You ask about it now that the legislation has been passed, now that the bill has been ratified. It is too late!

I sincerely hope we are given all that information when the bill is examined more thoroughly so as to be able to pass such information along to the people we represent.

I already have enough problems in my own constituency without having to approve legislation that might create still greater problems.

That is why I hope the Parliamentary Secretary will be able to give us all the necessary information so that we may know exactly where we are going.

[*English*]

Mr. J. H. Horner (Crowfoot): Mr. Speaker, after looking at Bill S-4, which deals explicitly with Canada-New Zealand trade arrangements, I immediately checked our import-export relationship with New Zealand. I realize that trade is a two-way street. If we expect to export, we must import. Much to my surprise, I found that Canada and New Zealand are relatively in balance with regard to trade. During the period January to October last year, Canada imported from New Zealand goods valued at approximately $35 million. In the period January to October, Canada exported $35 million worth of goods to that country. In the same period Canada imported almost $27 million worth of beef. Our total imports and exports are about equal.

I wondered about the reason for Bill S-4. After some study I realized that this bill will allow New Zealand to apply anti-dumping legislation against our manufactured goods. I question the motivation of the bill and whether Canada's position is secure in this regard.

I wish to quote from an article dealing with beef. This is of particular concern to western Canada. The hon. member for Waterloo (Mr. Saltsman) dealt with this matter to some extent. I quote as follows from page 17 of the January 1971, issue of *Cattlemen*:

The Canadian government, of course, has created problems for itself.

I emphasize those words.

Canada alone among major nations clings to the concept of free trade among nations. Who will deny that this is an admirable goal? Of course it is. However, to adopt this stance, when other countries are moving the other way, is foolishly naïve. The net effect is that Canadian primary industry is forced to "swim upstream" against a very strong current indeed.

Let's look at the record. As mentioned, the United States is now in a protectionist mood and has since 1964 imposed quotas on beef from Oceania. The European Common Market has since its inception imposed rigorous quotas, tariffs and variable levies against all manner of agricultural products, including beef. Japan imposes a quota plus a tariff of 25% of the value (cost plus freight) of beef. Finally, the United Kingdom recently announced a system of variable levies for many agricultural products, including beef, to go into effect April 1, 1971. Thus, Canada stands alone unprotected in any way from world markets. What a ripe target!

Therefore, the position of the federal government is at best naïve and at worst suicidal for primary industry. In times like these we must have rational flexible policies designed to cope with modern realities. Nowhere is this need more in evidence than in the current situation respecting beef imports. Between 1969 and 1970, imports from Oceania more than doubled. What