

*Supply—Finance*

on August 6, he had this to say, as reported on page 7107 of *Hansard*. He was referring to representations they made to him, as a result of which he made a reference to the tariff board and in due course had a report from them:

Nevertheless there seemed to be an opportunity here for consideration of some changes, particularly having in mind the changed pattern of trade, and I indicated, I think, in my budget address that I might have something to say about this at a later time. I might just put it in a nutshell now rather than wait for the estimates. It would not be possible for us to induce the United States government to change its tariff in accordance with the requests of our potato producers. It is too much to expect that we would be given greater access to the United States market without paying something in compensation under our treaty arrangements. However—

This is the part on which I would ask further clarification:

—there may be other means whereby we can meet the requests of the potato producers at least to some extent. We have been considering that and shall continue to do so.

In that paragraph the minister spoke as though the main request from the potato industry was for some change in the United States tariff in order that Canadian potatoes might get into the United States more readily than they do at the present time; but insofar as the industry on the west coast is concerned, my understanding is that their request was that Canada raise her tariff to the equivalent of the United States tariff. I have here a letter from the British Columbia coast vegetable marketing board, in which they say:

Our application which has been before the tariff board and which has been further presented to certain representatives of the cabinet at a meeting in Ottawa in February 1956 is that the present six-week tariff structure of 37½ cents per hundred-weight—applicable from June 15 to July 31—be extended on a year-round basis.

The minister had not dealt with that particular request in his statement, and I think he was putting the emphasis on the wrong point when he spoke on August 6, because his own submission to the tariff board, dated April 22, 1955, read as follows:

I have received numerous representations to the effect that there has been a significant increase in imports of potatoes in recent years, and that this has caused serious concern among Canadian potato producers. In these representations it has been urged that the customs duty on potatoes be increased and that the period to which the seasonal duty applies be extended.

The minister there was certainly not placing any emphasis on trying to get the Americans to reduce their tariff. The report by the tariff board sets out at page 46 under the heading "Across-Border Trade in Potatoes":

[Mr. Green.]

For nearly all of its long trading history with the United States, Canada has allowed potatoes from that country to enter free of duty . . .

On the other hand, the United States traditionally has imposed a relatively high duty against the Canadian product.

My understanding is that the duty going into United States is 37½ cents, whereas there is no duty whatever on United States potatoes coming into Canada except for that six-week period. In the summary of this tariff board report we find it stated in the first paragraph that people are not eating as many potatoes as they used to, for some reason. Perhaps there are not so many Irishmen in the country as there used to be, but this first paragraph says:

A basic factor in the situation facing the Canadian potato grower is the progressive decline in the demand for his product. Total production per annum today is about what it was in the '80's, despite a four-fold increase in population; consumption per capita has declined drastically and appears to be still declining. In a word, more and more Canadians are consuming fewer and fewer potatoes.

The summary goes on to point out the difficulty that these potato growers are facing. Paragraph 9 reads:

Imports, entirely from the United States, are virtually all table potatoes and, as a general rule, so-called "early" or "new" potatoes, which enter chiefly in the months of May-July, inclusive.

The tariff board report points up very clearly another reason why the potato growers are in trouble:

In recent years, the inward movement has shown a tendency to spread marginally (before May and beyond July).

The very last paragraph of their summary reads as follows:

The major concern of Canadian growers is the impact on domestic prices in those years when the United States product is in over-supply.

I think the minister should clarify two points. So far his statements have been rather vague. That may not have been intentional; on the other hand, it may have been. I am a little suspicious that it was a deliberate vagueness, but what I should like him to clarify today is this. In the first place, what about this request that Canada extend her tariff for a longer period? If it cannot be extended for the whole year, what about at least extending it for a longer period so that both countries will be treating imports of potatoes in more nearly the same way?

The other point on which I should ask clarification is this statement to the effect that there may be "other means whereby we can meet the requests of the potato producers at least to some extent." The minister said:

We have been considering that and shall continue to do so.