

Customs Tariff (No. 2)

I would also like to speak about the hard pressed fruit and vegetable canning industry in Canada. Again, those in the industry have been pushed harder and harder, with no protection on much of their canned fruit against cheap, subsidized imports from Australia and other countries. Once again we see the Minister of Finance (Mr. Turner) erode more of their protection. It almost appears that the government enjoys seeing them go out of business—and many have gone out of business in my riding over the years. It would appear that the government almost enjoys seeing jobs being exported to other countries even in face of the unemployment problem we have in Canada. The chairman of the Ontario Tender Fruit Growers Marketing Board put the case very clearly the other day when speaking in Toronto when he said:

● (1600)

Canada has become a dumping ground for surplus canned fruit from Australia, South Africa, and California.

Canada is a prime target for the export of canned fruit from these regions at dumped or subsidized prices. However, the long-run result could mean higher prices for Canadian consumers. He went on to say that Ontario tender fruit growers and processors are facing the same situation of surplus and low world prices that wiped out the once flourishing sugar beet industry in southwestern Ontario with the concurrence of the federal government. Now the price of world sugar has more than doubled and we are more dependent than ever on imports to supply our market.

He stated that the tender fruit growers are seeking some form of quota system or import tax on processed fruit entering the country so they can obtain a fair share of the market on a competitive basis. Remember, these prices are not even remunerative to the industry in the country of origin. He also charged that the peach industries in Australia, South Africa and California have agreed not to compete severely in countries where they are seeking markets. He believes it is in the public interest for governments to assist basic industries which are in trouble to maintain a broad productive base in the country.

When questioning the Minister of Finance in committee I was surprised at the sort of carefree attitude he adopted, but more surprised at the answers I received regarding the tariff on cartons and cans. I asked if there was a tariff on cans and cartons coming into Canada full, and he replied, to my amazement, "There is a tariff on the cans and there is an additional tariff on the contents if the contents are dutiable". I pursued the matter by saying that in other words they came in free and there was no tariff on them. I was then told, "There is a tariff on the can and an additional tariff on the can contents if the contents are dutiable". As I say, I was amazed, not so much that the minister did not know but that the people at his elbow who were advising him did not seem to know. I can tell the minister that there is no duty on a carton of apples coming into Canada, neither the contents nor the carton. Neither is there any duty on a can of citrus, on the can or the citrus where he recently removed the duty.

If the Canadian packer wants to import cartons or cans, empty, for Canadian products from the U.S.A., they have to pay a duty of 17½ per cent. I understand that some

[Mr. Whittaker.]

canners in Ontario, and probably others in Canada, are now having their citrus packed in the U.S.A. Why not, when they can make 17½ per cent right off the top? A very good industry was starting in Canada canning citrus and concentrate. However, there go the jobs to another country. This sort of policy certainly helps the unemployment problem!

In closing, I should like to talk about the mobile home industry which has built up in my riding of Okanagan Boundary. This industry had good assistance in getting started by way of area incentive grants. It has become a very promising part of industry in the area. These companies provide jobs and are good corporate citizens. It is an industry which is compatible with the environment. The government is reducing their tariff protection by 2½ per cent. Just as they get going, the pressure begins to be applied. A reduction of 2½ per cent is enough, in this type of industry, to mean the difference between profit and loss. If they get the same treatment over the next few years that the fruit and vegetable industry has been getting, the jobs they are supplying will soon be in another country. They must have protection to be able to compete with manufacturers in the United States who have cheaper input.

We must take a longer, broader look at our tariff structure to give protection to producers and manufacturers when needed jobs are at stake. Let us not just trade off our natural resources. Let us have industries of our own. This is the only way we will reduce unemployment in Canada. The next round of GATT starts very shortly and it will be too bad if this government has by then traded away all its options. There is talk of this bill being in effect for just one year. However, I am afraid the producers of Canada are very nervous when they hear this because they have not seen tariffs added in the last few years; rather, they have been eroded.

Mr. Bill Knight (Assiniboia): Mr. Speaker, I begin my few remarks by saying I am pleased to see the removal of tariff item 47835-1 as it relates to disabled persons. Although this is not a tremendous item of national interest or security, it is the kind of move that has the touch of humanitarianism, something that we seldom see from the Minister of Finance (Mr. Turner). This item and the one in the previous bill which removed the sales tax in respect of workshops for the mentally handicapped and disabled are areas where I sincerely congratulate the Minister of Finance and the Minister of National Revenue (Mr. Stanbury): A community project such as the Weyburn work-in shop does a great deal of work with the mentally retarded, and now the sales tax will be removed on the items it produces for the market. This measure will assist them in the carrying out of their projects.

We have seen in this bill a step toward the reduction of the tariff on food items. This is the kind of move that has not in any grandiose way taken place since the days of Laurier; it is the same political party doing it on a limited basis. We see them remove the tariff on food items. One item is coffee. I would rather that had been left and the people encouraged to drink milk. When it came to removing the tariff on the cost of drugs, it was a limited reduction on a commodity that many low income people and the aged in this country cannot afford. There we have a