

was given by the Prime Minister which I would like to quote. It was in answer to a question from the hon. member from Malpeque, who asked:

Mr. Speaker, I should like to ask one more supplementary question on this very important matter. I address it to the Prime Minister. Will the right hon. Prime Minister assure the House that before any closure takes place the government will implement measures to compensate as far as humanly possible for any economic hardship that may be caused to the people and communities concerned?

The answer which the Prime Minister gave was:

Mr. Speaker, I would not give that undertaking in respect of any closure, because it is conceivable that in some areas closure would not have the significant consequences about which the hon. member is concerned. But in cases where there would be significant hardship, as the hon. member says, I can give an undertaking that the government would not proceed with the closure without having considered alternative ways of alleviating that hardship.

Since that time a tremendous amount of effort has been expended in providing employment in that area, and on that base in particular. Of course, this is not a designated area. Nothing south of Parry Sound in Ontario is designated. The government thinks it is not an area which needs to be designated, perhaps because of the industrious people there who look after themselves. It is part of the country where my friend, the hon. member for Don Valley, was born and raised. But we did have a commitment from the government that some assistance would be given.

Recently, within the last couple of years, some seven industries have been established there, and among them the Glendale mobile home factory. They will employ about 150 people. We certainly did not get any help from the government in attracting industries, but we did obtain considerable help from the Ontario government in the way of development loans.

Now the federal government is putting another obstacle in front of them. I would appreciate it if the minister would take a serious look at any representations that are made to him by the mobile home manufacturers.

Mr. Turner (Ottawa-Carleton): I will give that undertaking. If the association of manufacturers will confirm a date when they want to meet us, we are ready. We have already sent out an invitation.

Mr. Higson: I have one question for the Minister of Finance. I appreciate his comments with regard to the speed with which he believes the government can work in proving damage and in reinstating a tariff. My question is this: After representations are made by the Canadian Horticultural Council and other people in the industry, would it not take two or three weeks before the surcharge is placed on sweet cherries? By then, of course, the great bulk of the crop has been harvested and marketed at depressed prices because of competition from offshore products.

Mr. Gillies: I would like to draw the minister's attention to item 6300-1. I wonder what was the reasoning behind the reduction of the tariff duty on cleaned rice from 50 cents to 25 cents per 100 pounds, given the fact that the tariff reduction is a saving of a quarter of a cent per pound and the consumption of rice in Canada averages only six pounds per head. It seems that this will have a very modest effect on the cost of living in Canada, and yet it will have a great impact on a wholly Canadian industry.

Customs Tariff (No. 2)

What is the reasoning behind the change which the minister suggests on this item?

Mr. Turner (Ottawa-Carleton): What we have done here, as the hon. gentleman knows, is that the British preferential tariff and the most favoured nation tariff on cleaned rice has been reduced from 50 cents per 100 pounds to 25 cents. We followed the principle which we used in all these items: will this make the price of rice more competitive in Canada for the Canadian consumer without adversely affecting Canadian producers or processors? That was the thought.

Mr. Frank: I would like to pursue the remarks I made this afternoon on the item relating to house trailers and mobile homes. Do I understand the minister correctly to have said that he has set up a meeting with the Canadian association, or that if they request one he will set one up? I was not clear on that.

● (2120)

Mr. Turner (Ottawa-Carleton): Mr. Chairman, we have written the Canadian Association of Mobile Home Producers asking them to set a date to come and meet us in Ottawa but we have not heard from them yet.

Mr. Frank: How long ago was that?

Mr. Turner (Ottawa-Carleton): May 9.

Mr. MacLean: Mr. Chairman, I should like to ask a rather general question with regard to the minister's interpretation of the effect that the tariff changes on sugars of various kinds will have on the sugar refining industry in this country and on sugar marketing in some sugar exporting countries. I take it that the only tariff remaining is on completely refined sugar, and that all the classes of sugar that are shown as entering duty free under the British preferential tariff are categorized as non-refined sugar. I am not sure of the technical terms involved here but I should like to have an explanation in layman's language of the practical effects of the change.

Mr. Turner (Ottawa-Carleton): Mr. Chairman, I hope I can satisfy the hon. gentleman in layman's language. What we did is accept the Tariff Board report on sugar. We did not go as far as the Tariff Board wanted us to go because we preserved the Australian preference. We are in the course of negotiating a new Canada-Australia trade treaty and we did not want to dislodge that.

We have talked to the Canadian refiners about this particular item and have been assured by them that they can live with it. What we tried to do is introduce more competition into the distribution, processing and refining of sugar in this country without adversely affecting the ability of Canadian refiners and producers to compete in world markets.

Mr. Ritchie: Mr. Chairman, today I noticed that the electrical manufacturers complained that appliance tariff reductions would affect them. Can the minister give us some detail on how much this tariff was reduced, and particularly the effect of devaluation or appreciation on some of their competitors. What was the point in reducing tariffs in light of their argument that they were not