

the Canadian market so that, in the first place, our citizens may buy what they need, and second, that surplus may be exported throughout the world. Our market must really become competitive, even if we must subsidize the export of our surplus. We approve this, but let us start to subsidize at home, in Canada, in all our provinces, in municipalities, in order to satisfy Canadian consumers.

● (1550)

[English]

Mr. G. H. Whittaker (Okanagan Boundary): Mr. Speaker, there are some pertinent things that should be said in this debate on Bill C-195 dealing with the Customs tariff. It was with a great deal of relief that the fruit growers of Canada found the other day that a surcharge was being put on cherry imports into Canada, but it came almost too late. The price of cherries had dropped in the Pacific northwest from \$7.50 f.o.b. on June 7 to \$5 f.o.b. on June 27. Almost 80 per cent of the American cherries had been sold, but British Columbia was just beginning to sell its crop. B.C. producers were being faced with a situation in which they were selling for below the cost of production, while much of the produce of their competitors had been sold for better prices. Some 170,000 cartons of cherries were imported into Montreal, Toronto, Winnipeg and Vancouver this year, compared with 72,000 cartons a year ago. It is a good thing something was done or it would have been a disaster for the Canadian industry.

Again I remind the minister that the action came too late. Once more British Columbia producers, even though they had a plentiful supply of excellent quality cherries, had to face a market with the pipelines full of a cheap product. Faster action is necessary. The price at the retail level has not changed across Canada and in some instances has come down even though the surcharge was imposed.

Because of past policies of the Liberal government, Canadian farmers have been made to compete with the production of fruits and vegetables of other parts of the world which use cheap labour and have subsidized their producers. The Canadian growers have had little or no protection, and what protection they have had is being gradually taken away from them. Witness what happened to the tariffs on apples a few years ago, or indeed in the last GATT round. It was decided that the tariff would be taken off apples between the United States and Canada over a four-year period. No sooner had this period begun than the then minister of national revenue decided that he would take off the tariff on apples coming into Canada.

After he took this action, he went to the United States government and asked them if they would do the same. They laughed at him and said, "When we make an agreement, it is an agreement and we will hold by it." Thus, we had free trade in apples coming into Canada for three years and a tariff on apples imported into the United States for the same three years. It is no wonder that growers often say that the worst competition they face is their own government or the governments of other countries. The government of Canada believes in free trade; the fruit growers believe in fair trade. When other countries do not want our produce, they find some gimmick to keep it out, not through tariffs but through no trade at all,

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while they subsidize the produce of their own growers that is being shipped into Canada.

In Japan they have a gimmick whereby they say they will not accept any fruit from any country that has codling moth. This effectively prevents the importation of apples into Japan from Canada or any country in the world. Australians said that they would not accept apples from Canada because they had fire blight. When it was proved to them that the fire blight could be controlled or fumigated, they came back and said they did not want our apples anyway, which was exactly what they meant in the first place.

Let us consider the trade in canned cherries between the United States and Canada. The duty into Canada on U.S. canned cherries is 1½ cents per pound, or 60 cents a case. The duty on Canadian cherries entering the U.S.A. is 7 cents a pound, plus 10 per cent. This means that the duty is \$2.80 a case, plus 10 per cent of the value, which could make the duty as high as \$3.50 a case. All kinds of similar situations can be found. Peaches coming into Canada are subject to a duty of 63 cents per case, while peaches going from Canada to the United States are subject to a duty of \$1.45 per case.

When the United States has a large crop of soft fruit, invariably there is a surplus destined to come into Canada at a low price just as our producers begin their harvest. The Canadian producer barely recovers his cost of production, or goes in the hole. Over the years the producers and their organizations, the horticultural council and the Canadian Federation of Agriculture, have been pleading with the government not to further reduce the tariff protection. But no, the government keeps on reducing the tariff.

We see people clamouring for a freeze on land. Almost every day we read that there are going to be food shortages and that farmland must be preserved. In the two main fruit belts of Canada, the Okanagan valley and the Niagara peninsula, we have seen two forms of land freeze. It may be ironic, but it is in these areas where the land is being frozen that the producer needs the most help and is being hard pressed to maintain a viable operation. I do not believe that consumers will deny the producer the right to make a living. I believe it will be in their best interests in the long run to see that he is able to make a good living. Thus he will be able to preserve this land and keep it in agriculture.

Take the example of the cherry deal. This year in B.C. we had 5,000 tons, in total, for the fresh fruit market. Just 20 per cent of the American crop amounted to 7,000 tons. If you had put the Canadian cherry producer out of business I am sure there would not have been a great reduction in the price of U.S. cherries making up this 7,000 tons. U.S. producers would have marketed them in Canada and, because they do not offer the same quality, the same floor price protection policy and, indeed, do not underwrite claims when the cherries are not up to standard, I am sure the price would have remained considerably higher than the consumer paid this year, I have observed this type of thing over the last 15 years and I have never yet seen a situation which would lead me to believe that in the long run the people of Canada will get their food cheaper.