

Customs Tariff (No. 2)

brought in or offered to this country, in the sense that one would define dumping as exporting below the domestic price. Nevertheless, the tail-end prices are lower in the United States at the end of their production season just when ours are coming on the market. This causes a great deal of trouble.

A number of industries in the Okanagan, including the tree fruits industry, have for many years requested that machinery be adopted to protect these industries when our prices are threatened because of the offer of crops from across the border. They require this machinery in order that action can be taken immediately rather than four or five months later. These crops do not necessarily have to be imported in order to drive our prices down; there only need be an offer made. An offer at low prices kills the price of our produce from the Okanagan or the Fraser Valley.

As I said earlier, I am not certain that the tariff cuts for one year, substantial as they are, will be reflected in much lower consumer prices. That is a difference of opinion, but we cannot tell what the result will be. This policy was only articulated on February 19, and we are dealing with the bill today. Whether this will prevent rapid increases in prices, I do not know. The minister suggests it will prevent more rapid rises in costs, but we will not know this until we review the situation at the end of the year.

There is a difference of opinion on the effect of this measure but there is no difference of opinion at all on the fact that the five major producers in this country are not Canadian-owned. At one time these foreign-owned companies had to come to Canada to buy their plants. Companies such as Del Monte, Libby's, the Jolly Green Giant and Stokeley-Van Camp used to buy their plants from us but they do not have to do that any longer. The tariff has been removed from canned foods, so what is to prevent these companies from moving their production to the United States? I do not see how these reductions will assist our unemployment situation. We have heard about the multiplier factor, but I suggest this will be a divider factor. I think we all agree that this is an attempt on the part of the minister to do something positive about consumer prices, but there is a possibility that he might be throwing out the baby with the bath water. I hope that is not the case.

When I was a young man, and that was quite a while ago—

Mr. Turner (Ottawa-Carleton): You are still young.

Mr. Rose:—I can recall in my province, certainly in the Fraser Valley where I grew up, and the Okanagan where I lived later, there was a large fruit and vegetable cannery in every community. These are no longer in existence. They are gone but not forgotten. One of the reasons for their disappearance can be related to a rationalization or a trend to bigness. You should jump on a 747 some time to find out what has happened to the country. We have larger planes flying across the country but it takes you ten times as long to get your baggage.

Rationalization has taken place, but I think we all regret the fact that we no longer have these community industries. The policies of government in not protecting our processing industries and, for that matter, the agricultural industry generally, has led to this situation. I believe we

[Mr. Rose.]

will have to commence reversing these policies. Had we had the foreign-ownership bill 20 or 30 years ago we would probably still have these processors in Canada. If we cannot protect our producers it seems to me we will be trading off our agricultural industry. If that happens we will become completely dependent upon foreign countries for our food. That may be all good and well for some people and perhaps it will mean cheaper food in the long run, but I doubt it.

Once our industry has been destroyed, what is to prevent the United States from saying it can no longer supply us with the quantity of food we require unless we are prepared to provide them with fresh water and fuel? I know this is a concern of many people, and we in this party are more than a little concerned about the effects of the tariff cuts articulated in schedule B of this bill. I feel it is important for me as a representative of a semi-rural riding to outline publicly my misgivings about the trend that we may be creating. I would certainly like some kind of assurance from the minister that he will give serious consideration to methods to protect our producers from the threat of importation. I do not understand why we have to go through this whole routine every time the threat exists. Hon. members from the Okanagan area had to go through this procedure in order to protect the cherry producer. This was done three years ago in respect of strawberries, and two years ago in respect of potatoes. We have to go through this routine time and time again.

We in this party are generally in favour of a gradual lessening of tariffs, but we do not want this at the expense of those industries we feel are important, basic domestic industries in this country. That is why we look upon this measure, not necessarily with cynicism or complete misgiving but with a certain amount of criticism. In conclusion, I express the hope that the minister will continue to monitor the effects of this proposal so that we can maintain and enhance our agricultural production in the years to come.

Mr. J. R. Ellis (Hastings): Mr. Speaker, in speaking during this debate I am repeating in part representations I have made to the minister and others over the past few months. The decision to remove the tariff on citrus juices will effectively destroy the Canadian reconstituting industry, with the relatively large number of jobs involved. This industry was developed to provide Canadian consumers with lower-priced citrus juices. The problem is relatively simple. Before this legislation there was a 5 per cent import duty on ready-to-serve fruit juices. There was also a similar duty on concentrate brought in by Canadian food processors to produce an acceptable juice in Canada. Using the concentrate, the Canadian processor employs a good deal of labour, purchases labels, containers and packing materials in Canada and utilizes Canadian transport. All of this material would normally come from outside of Canada, and in most cases from Florida.

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The removal of the 5 per cent tariff on canned juice, whether reconstituted or natural, coming into Canada will effect a reduction of over 30 cents per case in the cost of citrus juices at the wholesale level. The reduction, however, in the tariff on concentrates amounts to a less than a