

in respect of the lifting of tariffs. The government does not approach them on the basis of increasing tariffs but, rather, on the basis of lifting certain tariffs which will cause the least harm. There is little talk about increasing tariffs to protect these primary industries, but there is always constant pressure to reduce protection.

I have had some experience in this regard, and every farm organization with which I am familiar has very carefully and painstakingly produced evidence to show there should not be tariff reductions but tariff increases to protect producers. Very often, before these representations can be made the government announces through the Minister of Finance the removal of certain tariffs. The minister has on occasion suggested that these actions will force Canadian producers to lower their prices in order to remain competitive. That is one of the reasons suggested for reducing tariffs. Is it any wonder the Canadian producer has little faith in this government?

Before the Kennedy round, the producers of this country made representations to the government in respect of tariff reductions, pointing out the disasters that could result. But apparently their representations were not even read. The results of the reductions were disastrous to Canadian producers. That is why we do not have many of the Canadian-produced vegetables that were so plentiful at one time. It is impossible for Canadian producers to produce these commodities required by the consumer. They have no margin of profit, and if they produce at all they do so at a loss.

Many members of this House have not experienced, as I have, walking through acres and acres of rotting fruits and vegetables. This situation resulted from the fact that producers could not recover the cost of production or even the cost of harvesting their fruits and vegetables. We always think of Canada as being a land of plenty, but the stench of rotting food has prevailed in this country for many years, particularly since the government negotiated the previous Kennedy round of tariff reductions.

As a result of this measure, we are today faced with a similar situation. The minister suggests that tariff reductions are carefully limited to certain items. I believe that to be the case, but the reductions are so broad that few producers will not be affected. Already in this country small canneries are going out of business. Many of them operated last year but found they could not compete. The government suggests this is an experimental measure for a period of one year. It will then reassess the situation and decide the effect. If it finds the measure to be harmful, it will go back to the old method. But the producers in this country are well aware that very seldom in the history of Canada are tariffs replaced once they have been removed. This government does not realize that the reduction of tariffs on certain items for a period of one year can force many producers out of business.

The only saving factor so far as this government is concerned is the worldwide shortage of food. That is the only thing that has saved this government from a march on Parliament Hill by the primary producers of this country. Had it not been for the worldwide shortage of food, the reductions this government has now brought in would have put hundreds of producers out of business. The minister talks about the producers of this country remaining

### *Customs Tariff (No. 2)*

competitive. With the constant reduction in their returns it is impossible for them to remain competitive because many of the essential elements, much of the input into their production, are not favoured by these tariff reductions.

• (1650)

If the minister wants to realize at first-hand what the farmers of this nation are faced with, he should accompany me or one of my colleagues when we visit the department and inquire whether a specific item should or should not be classified as an agricultural implement. He would find out how difficult it is to convince members of the department that an article should not bear the 17 per cent import duty. This adds to the cost. The officials of the department do not seem to be very much concerned about this fact. The question could be a very infinitesimal one, such as establishing whether or not one part is attached to another part in order to obtain the classification. If an item should be imported in two parts, both parts are subject to duty. One must spend hours arguing with the officials concerning classifications. Sometimes this involves weeks, and these are vital weeks for the primary producer and often he does without the machinery rather than go through the process which is involved.

We have reduction of tariffs, and then we have an increase in the input of farmers so they cannot remain competitive. What bothers farm leaders and farmers today is a point which has been emphasized by my colleagues. After being asked to present a case for contemplated tariff reductions at the GATT negotiations, we find the minister taking this action. It is all right for him to assure us it is to be effective for a short duration, but the nations of the world are sharp traders and will say we were able to reduce tariffs because we did not feel they were necessary, and are asking them to accept their reimposition. We have given away our bargaining rights. They will say we did not need the tariffs before, and now we come to them at a convention set up deliberately to encourage free trade among nations and ask them to accept the reimposition of tariffs which we have voluntarily dropped. This does not make sense. I am sure the negotiators around the world will take this attitude.

There is one thing more I should like to mention. It has to do with the statement of the minister. He stated they had carefully gone over the list of foods, and if there were any cases of hardship they should be made known to him and he would reimpose the tariffs. He did this specifically with respect to greenhouse cherries and tomatoes in British Columbia. I thank the minister for taking that action. It was absolutely vital. Perhaps the process had to take the length of time it did; I have no argument in that regard.

However, this is the same statement made by ministers over the years. They have told us that if there is a case of hardship, we should bring it to them and they will change the tariff. There are only two cases in the history of this government in which a tariff has been reimposed after having been taken off as a result of delegations making representations and presenting briefs to the government. I have no confidence that this action will be of only one year's duration. Even though the minister indicates the bill states there is a time at which it becomes ineffective, I