

Customs Tariff

think just after the introduction of the minister's budget, an article by Mr. Leslie Wilson in which he said this:

Canadian negotiators went to the GATT meetings last fall not with the idea of negotiating general decreases, but with that of getting specific increases and offering predetermined decreases as bait.

It happens that this correspondent in the press gallery for this reputable business journal indicated that in this section we were likely to find some of the concessions that had been given by Canada in consequence of some of the increases in tariff that we have previously dealt with in this committee. I should like the minister to comment upon that matter.

Mr. Fleming (Eglinton): There is a large number of miscellaneous amendments to the tariff embraced within the scope of resolution No. 8. All but two of them contemplate decreases in the tariff. There are no increases provided with respect to any of these items in resolution No. 8. Some of them were bound under GATT. One could hardly expect that there would be any objection on the part of the countries in whose favour there are to be any decreases in tariff, the kind of decreases that are proposed in this resolution.

As to the course of negotiation with any country under the GATT procedure, Mr. Chairman, it has never been the policy—and for very good reason—to trace the course of the bargaining or negotiations or to indicate what items have been traded on one hand for advantages on the other hand.

If I may, I should like to make a qualification to my statement. There are two items where there are to be increases. They are the very last ones in resolution No. 8, namely item 907 and item 914. Under 907 there is an increase from free to 15 per cent B.P. and 20 per cent M.F.N. on foamed and expanded synthetic resins, in logs, blocks, or boards, or in flakes, granules or powder. In item No. 914 there is the same type of increase proposed with respect to foamed and expanded cellulose plastics in blocks or boards, granules or powder.

Mr. Benidickson: I just thought that as we go along in these miscellaneous items the minister might indicate which of them are items that we have negotiated with other countries through our association in GATT. Perhaps he would do that. In the article to which I made reference in the *Financial Post* it was suggested that if we just go down to the fourth of some 30 items that we are now to discuss, we will find an item that it is suggested was subject to a lower rate of duty by reason of something that we gave because we wanted something in this trading relationship that is known as GATT.

[Mr. Benidickson.]

Mr. Fleming (Eglinton): I fully appreciate the problems which my hon. friend's question has raised, but while some of these items are bound, that does not mean they entered into the scope of negotiations at all.

Mr. Benidickson: Oh no.

Mr. Fleming (Eglinton): I am told with respect to a number of these items which were bound that they did not enter into the scope of negotiations with the United States at all.

Mr. Benidickson: I do not particularly refer to the United States. I simply say that we in the opposition naturally have little official knowledge these days of the details relating to items described in such particular form as we have before us.

I said to the minister last night that in previous days, as I recall it, I was always provided with a memo from the officials in the department who were giving full time to this kind of work, and I think invariably in those notes provided to me when I was on the other side there was an indication respecting the tariff items which were or were not bound items as a result of GATT negotiations. I thought therefore that the minister, in order to be fair, as I know he wants to be, might as we proceed indicate which items are and are not involved in our GATT tariff relationships.

Mr. McIlraith: Did I understand the minister's remarks to indicate that where he was able to, say, negotiate an increase in a tariff item, he was not willing to disclose to this committee what he had to give up in return for that increase? Did I understand him to say that?

Mr. Fleming (Eglinton): It does not work out just that way. We do not necessarily trade a specific item for something else. We have brought to this house the net result of all these negotiations up to the present time regarding these various classes of items in the Customs Tariff which are the subject of the recommendations of the tariff board. The results are now before the house and it would be a mistake to infer that the negotiations reach the point where something specific on the one hand is exchanged for something absolutely specific on the other.

We are here presenting these items in their totality, and we do not attempt to trace the course of the negotiations down to the minute details or to specific items of negotiation. As I have indicated, it has not been the practice to do so and it would be unwise to say anything about the course of the negotiations or the details of the bargaining