

Customs Tariff

imposts of duty involving the importation of used farm machinery. We see nothing in the bill dealing with that matter, which has received the attention not only of this farm organization but of others.

When the minister replies I hope he will also give us some information about the currently worrying problem of trade with Russia. The attention of our country at large has been directed to the report that very soon at some of our eastern ports a substantial quantity of refined gasoline will be received; not the crude product that normally enters through the eastern ports but gasoline ready for sale. I believe that the minister or the cabinet has the authority under this act to alter the status of Russia as a trading partner. Am I not right in thinking that under section 6 of the act, I believe it is, the cabinet has the authority to establish what is a most favoured nation? I wonder whether the proposed importation of Russian gasoline has any relation to any executive change that has taken place since we last debated this measure. Because of the size of the proposed importation I think one would also want to know to what extent Russia has officially approached our government through its ambassador or through other channels in connection with this proposed new trading development.

Before the minister concludes the debate on amendments to the act I hope we will hear from him as to the present situation with respect to Canada's very obvious interest in the trade developments that have been taking place very recently in Europe and even outside Europe. I refer to what is colloquially called the report of the four wise men, about which there was discussion in Washington in April, and the proposal that perhaps Canada and the United States might participate in the trade agreements involving the Six and the Seven in Europe. In other words, perhaps the minister could indicate whether he feels it is imminent that Canada will belong to the European economic forum in conjunction with the United States.

Mr. Speaker: Order. Does the hon. member not feel he is going rather far afield in connection with a bill that proposes specific amendments to the Customs Act, which does not really bring into debate the whole problem of international trade and tariffs?

Mr. Benidickson: What I had in mind, Mr. Speaker, was this. I think you will recognize that perhaps two thirds of the items that are before us in the schedule to this bill are subject to agreement that has been entered into at a GATT conference. My concern is that if today, we are considering passing legislation that affects these perhaps 125

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items that are related to GATT, then what is the effect going to be on them in two or three months by reason of the negotiations that are presently taking place? I think certainly the ministry should indicate if only briefly to us what their present activities are in relation to these many items that are before us in these Customs Act amendments which change so many of these GATT schedules. The GATT conference is imminent. The possibility of discussions with the United States and these European trading units will all come into focus when this GATT conference takes place. This arouses curiosity as to whether there is some real purpose in passing this schedule if it is to be altered within two or three months' time at the GATT conference.

I realize, Mr. Speaker, that these items could be debated at greater length when we consider the estimates of the Minister of Trade and Commerce and the Minister of Finance. However, I would hope that before we are asked to pass some of these items in committee of the whole, the Minister of Finance would report on the present negotiations that are taking place in these arenas that might very materially alter the effect of anything we are asked to do today.

I find, Mr. Speaker, that a number of items that one might have looked for in this schedule are omitted. The minister indicated on budget night that he felt this was not the appropriate time to make an extensive revision of some of these schedules. He was indicating that he was reserving his trading position because of the important conference that was to take place in the autumn under our treaty obligations under GATT. However, I am wondering about the omission of some items which have been the subject of discussion already this session and which are not before us today. I was wondering whether the minister has under review any possibility of revising our tariff arrangements in connection with the importation of drugs. I believe there is great alarm in our country today over the disclosure that the cost of many pharmaceutical items is much higher in Canada than in other countries of the world. I wonder whether the minister has any thought requesting the tariff board to review the situation in this particular industry.

I would hope before the debate is concluded that we would have, in relation to these items, a report from the minister in connection with some of the current developments that have taken place with regard to the recently negotiated Russian trade treaty. What about the quotas with respect to Japan, which are not before us legislatively but