

ance Program provides loans and grants to people of limited income to restore their homes to acceptable standards of health and safety. The Canada Home Renovation Plan encourages people to invest their own money in home renovation as a way of creating jobs.

In addition to the long-standing and highly successful programs which help to give Canadians access to affordable housing in a good community environment, the government in recent months has invested close to \$1 billion in new housing initiatives designed not only to provide housing but also to create 120,000 or more new jobs. I think that this is the context in which we should see the Canada Mortgage Renewal Plan and the legislation now before us. They are part of a broad-ranging response to the housing needs of Canadians and an essential part of the strategy that will lead us to economic recovery.

On motion of Senator Phillips, debate adjourned.

CUSTOMS TARIFF

BILL TO AMEND—SECOND READING—DEBATE ADJOURNED

Hon. A. Irvine Barrow moved the second reading of Bill C-90, to amend the Customs Tariff and to repeal certain acts in consequence thereof.

He said: Honourable senators, Bill C-90 proposes several important amendments to the Customs Tariff. The bill also introduces a number of technical housekeeping changes to the tariff. The provisions of this bill were originally introduced in a Notice of Ways and Means motion which was tabled in the other place in conjunction with the presentation of the budget of November 12, 1981. You may recall that the subject matter of the bill was given careful study by the Standing Senate Committee on Banking, Trade and Commerce which made its report to the Senate on May 11, 1982.

Having in mind the time which has elapsed since then, I think it would be useful were I to review the highlights and follow them with a more detailed explanation of the key provisions of the bill. The bill proposes a number of improvements in the general preferential tariff for developing countries, the GPT. There are reductions in rates on products of interest to developing countries as well as special measures for the least developed of the developing countries.

The bill establishes a tariff item which would provide duty-free entry for goods specially designed for the use of disabled persons. It introduces a new tariff schedule for goods used by dentists or dental laboratories. It also provides authority for the government to convert existing units of measure in the Customs Tariff from imperial to metric, following industry practice. The bill updates a number of tariff provisions contained in the former Canada-New Zealand Trade Agreement of 1932 to reflect the Trade and Economic Co-operation Agreement which has replaced the old agreement. Finally, the bill introduces a number of miscellaneous tariff changes in response to representations received from interested parties in Canada.

[Senator Stanbury.]

I would now like to discuss in more detail some of the measures I have just outlined. First, I shall deal with the general preferential tariff—or the GPT, as it is commonly known. Honourable senators are aware of the important role played by the preferential tariff systems introduced by Canada and other developed countries in assisting the growth of exports and balance of payments positions of developing countries. The bill provides several significant improvements in Canada's GPT which will benefit less developed countries or LDCs, without having any adverse effect on the Canadian business community. There is a new duty-free entry provision for goods covered by the general preferential tariff, that are imported from countries designated by the Governor in Council as being least developed developing countries, or LLDCs. In addition, the bill liberalizes the rules governing the origin of the imported goods to permit tariff-free entry on goods partially produced in one LLDC and finished in one or more other LLDC's.

The purpose of these measures is to offer LLDCs potential new export opportunities by removing the duties on goods that qualify for the GPT when imported from LLDCs. Roughly one third of the items covered by Canada's GPT system are currently dutiable. The concessions in the bill will provide free entry to LLDCs on about 600 tariff items. There is also authority which would enable the government to implement tariff rate quotas as a way of providing Canadian industry with temporary relief from imports from developing countries which cause or threaten injury to Canadian production.

The schedules of GPT rate changes in the bill include a number of reductions which will benefit LDCs. These reduced rates were based on recommendations made by the Tariff Board in Part I of Reference No. 158. In order to determine whether access to the Canadian market for products of developing countries could be improved, the then Minister of Finance in July 1980 had directed the board to study and report on the likely impact on Canadian production of providing lower rates of duty for certain products currently eligible for general preferential tariff treatment. Part I of the board's report was tabled in Parliament on May 20, 1981. The broadened product coverage under the GPT as well as reduced rates of duty on a range of products of interest to LDCs resulting from the board's study will improve the terms of access to the Canadian market for about \$50 million in imports from LDCs. I might mention that Part II of the board's report was submitted to the government in April 1982 and is now being reviewed.

The new tariff item in the bill is goods for disabled. Under this item the government will be authorized to provide by order in council duty-free entry for products that are specially designed for disabled persons, enabling it to respond quickly to future requests for the removal of the duty on specialized goods for the disabled which are not available in Canada. In addition, the duty-free provisions in the bill for electronic selector control devices to enable the disabled to control such things as appliances and for electronic devices to aid persons with speech impediments will be of immediate benefit to the handicapped who have need for this specialized equipment.