

that tariff in response to the American Government removing the American tariff on shakes and shingles; however that was not the case and the continuing damage from the shakes and shingles tariff is something with which the Government will have to live and something for which the Government has to acknowledge responsibility for having inflicted it upon Canadians.

Like other speakers I should like to turn very briefly to the objections raised by the Automotive Industries Association of Canada.

Here of course we can bring out another obvious disagreement between the Government and this opposition Party, namely, that the Government considers that the Auto Pact is a free trade arrangement, whereas we in the New Democratic Party believe that the Auto Pact is essentially a fair trade and a managed trade arrangement of the type that we would like to see more. We do not believe that it is a free trade arrangement and we can certainly produce examples to back that up.

● (1040)

The Automotive Industries Association makes some very telling points about the way in which the standardized coding has been introduced. It points out that the Government's legislation on this coding system has been in process for some seven years. There will be a period not of years but of two or three months to respond and analyse the proposed system. This document, as the Association points out, of 3,000 pages, will receive no more than cursory examination by the majority of the Members of the House of Commons. I must commend the Association on its faith and also gently point out its naivety. The vast majority of this House will not have the time or the perseverance to look at a 3,000 page document on customs classifications.

As the Association says, the tight schedule precludes detailed study by the industries that will need to comply with the new system, something that should be commended to the Government. By and large it is not Government that bears the largest brunt of the consequences of any particular piece of legislation, legislation is by its very nature something that Government formulates to regulate that which as a Government it cannot regulate by policy or practice. Naturally most of the internal responsibilities and concerns of Government are regulated by internal policy and practice.

Errors and omissions which the Automotive Industries Association list are significant. It believes the after-market, the farm implement manufacturing and other industries affected are not informed or prepared for the changes in duty rates that will become effective. Those changes in duty rates, as the Minister has pointed out and none of us has cause to doubt him, are revenue neutral.

Because of the change of classification, certain items will become taxable at higher rates of duty whereas others will become taxable at lower rates of duty or will become duty free. As the Automotive Industries Association says, a significant

portion of Canadian industry exists because of the end use made/not made in Canada provisions. To abandon these concepts completely without a satisfactory conversion could result in the shifting of manufacturing capability to plants outside Canada.

Another point well made by the Hon. Member for Humboldt—Lake Centre (Mr. Althouse) is that relating to farm equipment. Now some of the intermediate products, if we can call them that—the machinery required to produce farm equipment itself—will now be subject to import duty. The AIA concludes by saying industry has not had seven years to gear up for the new coding system like Government. It has had less than seven months to obtain and digest the information and respond.

This should be a charge to the Government for future initiatives to have proper division between the time needed for consideration internally by Government and the time required by the private sector. This will allow the manufacturing and commercial sectors to adjust to what the Government is contemplating.

No discussion of any trade related measure in these times could be complete without reference to the free trade deal which the Government has made with the United States of America, perhaps more accurately I should say the Government believes it has concluded with the United States. That in itself represents a dramatic turn around in the views of key members of this Government from four or five years ago when they were contesting the leadership of the Progressive Conservative Party. I think it would be worth while for the people of Canada to hear quoted the words of the Prime Minister (Mr. Mulroney) as recorded in an article in *Maclean's* magazine of June 13, 1983:

Canadians rejected free trade with the United States in 1911. They will do so again in 1983. Canada must increase its share of total world trade, which has dropped by 33 per cent in the past two decades.

Another candidate to that position, now the Secretary of State (Mr. Crombie) is also quoted in the same issue as saying:

It's silly.

It is indeed. He went on to say:

Canada must improve relations and trade with the United States, of course. But our natural destiny is to become a global leader, not America's weak sister.

Indeed, if anything shows the Government's willingness to become the weak sister of the United States of America it is the free trade deal which the Government believes it has concluded.

Some of the concessions which the Government made to the United States of America before the signatures were on the deal are worthy of recording. We gave up the Foreign Investment Review Agency and the National Energy Program. We gave up our drug licensing system which had been successful in providing low cost drugs. We have allowed American truckers to get full access to Canada. A duty was imposed on Canadian