

Customs Tariff

erable impact on the trading future of our country in the fields of textiles, footwear and agriculture.

That is why we have to make sure that this bill will be studied very thoroughly in committee of the whole so that various clauses may be clarified. I hope I will have the opportunity, if possible, to take part in the proceedings of the committee when the bill is referred to it and elaborate on the brief suggestions I made to the House in this second reading debate.

● (2122)

[English]

Hon. Alvin Hamilton (Qu'Appelle-Moose Mountain): Mr. Speaker, I do not think that over the years there has been a subject I have heard more discussion of than this one of customs tariffs. I say very bluntly from what little intelligence I may have and from bitter experience that the whole philosophy of customs tariffs is obsolete and has been for 35 or 40 years. I say this with great feeling because I have watched the nations of the world gather together under the General Agreement on Tariffs and Trade. This was not really a world-wide group of nations by any means. It was nothing more than a rich man's club which periodically handed out a few crumbs at the gates of the poor nations of the world.

In 1977 there were at least some crumbs handed out to these nations, but these particular changes under discussion in Bill C-48 are aimed at one thing, and that is to stick a finger, or perhaps two fingers, into the side of the United Kingdom. As we read through these items we find over and over in respect of these changes, particularly in the schedules, the reference to the fact there is no change except in the case of any such goods that are the growth, produce or manufacture of the United Kingdom of Great Britain and Northern Ireland, the Channel Islands, et cetera. If we go down a little further we will see the same thing; there is no change in the tariff rates except in the case of any such goods that are the growth, produce or manufacture of the United Kingdom, Northern Ireland, the Channel Islands, and so on. This particular group of nations is mentioned because the United Kingdom has gone into the common market and the tariffs come under the "most-favoured-nation tariff".

Obviously the negotiators are playing with minute little changes at the present round of talks. My view of GATT is well and clearly understood. It is nothing but a rich man's club to make the rich richer and the rest of the world poorer. The great majority of nations in the world do not belong to GATT and do not receive its benefits, even though we do hand out a few crumbs periodically.

In suggesting that the tariff philosophy is obsolete I speak from bitter experience, with the knowledge that the actual tariffs set by various countries are meaningless. What is really important are the non-tariff items, the administrative procedures and the ethics of those companies that trade across boundaries. Government subsidies and programs within countries are the factors that absolutely change the whole concept of the tariff set-up. Therefore, it is a waste of my time to spend

[Mr. Lambert (Bellechasse).]

precious minutes in this House explaining in detail what are these non-tariff items.

Non-tariff items could more aptly be described as coming under the heading of the "dirty tricks department". Every government uses these tricks and will continue to use them. What was agreed upon at the first Kennedy Round in 1964, and what will be agreed to at the present time in 1978, amount to the same old thing; that is, non-tariff items falling within that "dirty tricks department". These are what will really decide the terms of trade between countries, and that is the fact of modern day living. There is nothing new about this, and there is not one nation more guilty of this than any other. I say this with some knowledge.

I do not condemn the philosophy of GATT. GATT was founded in that period of euphoria after the war in an attempt to put an end to tariff attacks on other nations as a new form of economic warfare. In the mind of man at that time there was a desire to put an end to this. The feeling was that if these economic causes of war—that is, high tariffs—could be removed the chance of war would be less. No one disagrees with that philosophy of GATT. I am simply pointing out the facts and the realities that have occurred in the last 30 years.

I well recall in this House 14 years ago when the then minister of trade and commerce, the former hon. member for Eglinton, announced he was going to the opening festivities of the so-called Kennedy Round, named after the then president of the United States. He was naturally quite proud to name the leading people of his department, and others he was bringing in, to attend the discussions. On occasion the government did bring in other people to help advise. As a member of the opposition at that time I was the spokesman for this party in respect of that announcement. Even though I have not read the record for some years, I remember very clearly what I said. I reminded the minister, who had been a long-time deputy minister of that department, that sending this crack team from the department of trade and commerce to the Kennedy Round was like sending their best hired man to milk the lousiest cow you had in your herd, because it took the best hired man to get a few drops from a dried out cow.

● (2132)

By contrast, I recommended that for Canada's trade future what a minister of trade should be looking for is places where the pasture is greener, the heifers are newly freshened and the milk is flowing. I took that occasion to announce that I was accepting the invitation of the People's Republic of China to visit that country and talk to their ministers vis-à-vis increasing China's trade with the rest of the world. That was 14 years ago.

China's trade used to be \$400 million a year, \$200 million in and \$200 million out, and almost entirely with the U.S.S.R. The trade of the People's Republic of China today is around \$15 billion. When you see trade grow in 15 years to that extent, from \$400 million to over \$15 billion, you know the pastures are green. I simply use that as an example of the type