

Adjournment Debate

In conclusion, I hope the government will soon take action on the serious threat cross-border shopping poses to Canada's economy and to the continued economic viability of our border communities.

[*Translation*]

Mrs. Suzanne Duplessis (Parliamentary Secretary to Minister for External Relations and Minister of State (Indian Affairs and Northern Development)): Madam Speaker, I am pleased to answer with more details the question asked by the hon. member for Stormont—Dundas concerning the effects of the goods and services tax on cross-border shopping.

As the hon. member knows, a recent issue of the *Canadian economic observer* stated that the goods and services tax does not seem to have increased cross-border shopping. That conclusion was based on a trend analysis of movements at the border, before and after the goods and services tax was implemented.

The goods and services tax is not to blame for cross-border shopping. Indeed, this shopping already existed before the tax came into force. As Statistics Canada clearly showed, cross-border shopping is a long-standing problem and it is simplistic to argue that the shift from the old tax, the manufacturers' sales tax, to the goods and services tax, caused cross-border shopping.

Revenue Canada (Customs and Excise) spent a lot of time and effort to devise more efficient and effective

ways to fulfill its mandate as given by this House. Officials from the department dealt with the issue of cross-border shopping and I can assure the hon. member that the department continues to do all it can to improve the processing methods.

In addition to improving on customs operations, the department has actively helped other concerned parties reach an agreement on the complexity of cross-border shopping through meetings at all levels and in all regions of the country. The response to that action has been positive and the support for the department's projects is encouraging.

In conclusion, Madam Speaker, I would like to mention that by associating the goods and services tax with the cross-border shopping we are not doing any good to those who have tried hard to work out a solution to this extremely complex problem of cross-border shopping.

Madam Deputy Speaker: The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24(1).

The House adjourned at 6.31 p.m.