

work there. They are mostly teenagers. They are now moving into the production of high tech equipment.

One of the main arguments for entering into a free trade agreement with the United States is that Canada can get an entree into the American market and compete with Americans in finished products. In fact, Canada will be competing against products which are manufactured in the Maquiladora corridor. There is no possible way that Canadian-manufactured products can compete against wage rates of 65 cents an hour. The original design of that program from the American perspective was to compete with low-cost Asian products coming into the United States.

The only question I have about the amendment moved by the Member for Ottawa Centre is with regard to identifying a product coming into Canada. How would we know that the components in a radio, for example, were not manufactured in the Maquiladora corridor industries? There is apparently no way to determine that the components of a finished product were made in the United States. We would need a horde of agents. With such a highly complex economy as that of the United States, it would be very difficult to track down a component from the Maquiladora corridor which is put into a product in the United States.

This, therefore, has serious repercussions for Canadian finished products going into the United States under a free trade agreement. The basis of the Government's argument for this free trade agreement is that it will create all sorts of new jobs and that Canada will gain a lot of new industries. Evidence is now coming out which shows that the agreement will not be all it was made out to be by the Government.

One would hope that the Government is addressing this issue but we cannot be sure because we do not have the final text of the agreement before us. We heard in Question Period today that the Prime Minister (Mr. Mulroney) promised the text in October, then for the middle of November, then for the end of November. We are in the first week of December and still do not have the final text. Yet the agreement is scheduled to be signed on January 2.

Although the Government says that we can compete with American finished products, the fact is that there is a gaping hole in the deal. In fact, Canada will not be competing with the United States but with Mexican products which have been produced with very cheap labour. Is this what the Government means by harmonization? In order to hold onto our small share of the manufacturing sector in the United States do we have to reduce our wage rates? Is the Government saying that we have to harmonize our standard of living with that of the Maquiladora corridor? That is, of course, what the Government is saying.

The Hon. Member for Ottawa Centre has proposed a safeguard which should receive approval from all Members on all sides of the House.

### Customs Tariff

## PROCEEDINGS ON ADJOURNMENT MOTION

[English]

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

**The Acting Speaker (Mr. Paproski):** It is my duty, pursuant to Standing Order 66, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: The Hon. Member for Don Valley East (Mr. Attewell)—Religious Persecution—Iran—imprisonment of Baha'i leaders; the Hon. Member for Saint Léonard—Anjou (Mr. Gagliano)—Canada Post Corporation—rural Post Offices—request for halt to closures/committee recommendations—Government position; the Hon. Member for Scarborough West (Mr. Stackhouse)—External Affairs—Haiti—massacre of citizens—Canadian reaction.

## GOVERNMENT ORDERS

[English]

### CUSTOMS TARIFF

MEASURE TO ENACT

The House resumed consideration of Bill C-87, an Act respecting the imposition of duties of customs and other charges, to give effect to the International Convention on the Harmonized Commodity Description and Coding System, to provide relief against the imposition of certain duties of customs or other charges, to provide for other related matters and to amend or appeal certain Acts in consequence thereof, as reported (without amendment) from a legislative committee; and Motion No. 1 (Mr. Cassidy, p. 11346).

**Hon. Lloyd Axworthy (Winnipeg—Fort Garry):** Mr. Speaker, I appreciate the honour of being recognized by yourself and of having an opportunity to speak to the matter brought forward by the Member for Ottawa Centre (Mr. Cassidy) with regard to the so-called Mexican connection.

This matter was brought before the Standing Committee on External Affairs last week at its hearings in Edmonton by Mr. Saul, who is a novelist and an economist. That is a wonderful economist indeed. It means that he can make economic matters almost lucid. The impact of his presentation was quite dramatic and profound on all members of the committee. I think it fair to say that even the Conservative members of the committee took the matter seriously. They did not see it as a partisan jab but more as an indication that this particular aspect of our trade relations could have a very major bearing upon the proposed agreement on trade with the United States. It could put many of the supposed benefits in real jeopardy.

● (1550)

I believe Members have already heard how this particular process works under Section 806 and Section 807 of the U.S.