

Special Import Measures Act

designed to provide the Government with more flexibility and a wider range of measures to deal with emergency import situations. They will also provide the Government with more flexibility to enforce Canada's rights under international trade agreements and to respond to acts by other governments which adversely affect Canadian trade interests.

Currently, actions to deal with emergency import situations may take the form of a quota under the Export and Import Permits Act or of a surtax under the Customs Tariff. Because surtaxes cannot now be imposed beyond 180 days without parliamentary approval, this measure has been generally used to deal with short-term, price-related problems. However, there may be times when surtax would provide a more effective remedy than quotas to deal with longer-term problems. This Bill would amend the Customs Tariff to allow for the application of surtax actions beyond 180 days where an injury finding has been made by an independent tribunal. Where there is no such finding, parliamentary approval for the extension would continue to be required. Moreover, any surtax action could be revoked by Parliament at any time. The Bill would also amend the Customs Tariff to permit the application of surtax after a specified volume of imports has been reached.

The Export and Import Permits Act would be amended to allow the collection of information with respect to goods in order to ascertain whether the importation of such goods is causing injury to Canadian production. Such monitoring is impossible under the current Act. The Bill would amend the Customs Tariff to provide the Government with broader scope to respond to the acts of other governments adversely affecting trade in Canadian goods and services and to enforce Canada's rights under a trade agreement.

There is one more amendment to the Customs Tariff which I should like to bring to the attention of the House. The Bill proposes new provisions which would provide specific authority to take measures in the form of a surcharge on imports for balance of payments purposes. The GATT allows countries to restrict imports to deal with general balance of payments problems. While with flexible exchange rates this provision may have less relevance than in the past, the Government wants to ensure that it is legally entitled to exercise all its GATT rights should the occasion demand.

As I have already indicated earlier, this Bill is the result of a lengthy consultative process which permitted all interested parties to present their views. Its provisions reflect a serious attempt by the Government to take those often divergent views into account.

The legislative changes contained in the Bill are needed soon in order to equip Canada with speedy and effective import policy instruments which are at the same time fair and equitable to deal with injurious imports and other trade problems. Accordingly, I welcome the work of the standing committee with regard to this Bill. I further welcome the agreement among all Parties in the House to give speedy approval to this legislation.

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, in June last year a sub-committee of the Standing Committee on Finance, Trade and Economic Affairs, with the Hon. Member for Lincoln (Mr. Mackasey) and the Hon. Member for Calgary South (Mr. Thomson) working together, produced a report which was accepted by the standing committee and placed with the House. It was from that report that Bill C-8 was drafted. To a large extent it almost completely adopted the recommendations of the sub-committee.

The Bill is long past due. Today in the House the issue of Irish beef was raised. The question is one of subsidy on imports. Until now it is my understanding that countervailing duties and anti-dumping provisions really only applied where goods were being sold in the Canadian market at less than the price offered in the foreign market. That is often the case because there are massive domestic subsidies on products in the markets from which they come. Therefore we wind up with Italian canned tomatoes and Spanish canned tomatoes being brought into Canada at a price less than the cost of the tomatoes themselves as a result of the subsidies on agricultural products in Europe.

Recently the Chinese had a price for paint brushes and a price for hog bristles. One could either buy a paint brush complete with hog bristles or just the hog bristles. If one wanted to buy only the hog bristles, the price was somewhat higher than it was if the hog bristles were made into a paint brush. That kind of trade is not fair trade. Something must be done—and in that particular case it was done—to ensure that Canadian industry is not unduly and unfairly damaged. In that particular case the countervail was as much as 500 per cent. It is evident that work has been taking place. Of course, the problem is that the present system is somewhat cumbersome or somewhat slow. It requires a great deal of money in terms of lawyers' fees, briefs and so on. It is hoped that the new Act will expedite some of the necessary action which must be taken.

We live in a world where a number of countries are striving to grab hard currency at any price. They do not care whether or not they are fair in trade. They will sell products from state-owned corporations at any price just to obtain hard currency. Therefore, we have to be on our toes and ensure that actions of that nature do not destroy our own domestic manufacturers and producers. This Bill is the kind of Bill we need to do that.

The ways of the world are becoming very sophisticated. Sometimes a subsidy is not directed to a product. It may be a subsidy in terms of transportation or in terms of the creation of a factory itself. The numbers of subsidies and the ways foreign countries organize their promotion in an unfair fashion are as unlimited as the imaginings of man. It is hoped that this particular Bill, getting at subsidies of every nature given to those who export to Canada which unfairly affect the price of goods in Canada, will be used to provide our own producers with an element of fairness. I do not think any of us see this as a new tariff Bill. We want free trade but not unfair trade. This is an important measure to ensure that we have fair trade.