

### *Customs Tariff*

At stake is the viability of some Canadian companies. For example, Versatile Farm Equipment in Winnipeg will now be denied duty free entry of welding equipment for automation of their company, if the new system comes into effect without change.

There are many products where duty has been removed or added, without just reason. These anomalies must be corrected before implementation. I am enclosing another attachment that gives some more examples of the type of problems we know will occur.

Industry has not had seven years to gear up for the new HTS like government. We have had less than seven months to obtain and digest information and respond. We respectfully request that you delay implementation of the new HTS until both government and industry are ready—April 1 at the earliest.

Yours very truly,  
Dean H. Wilson, P. Eng.  
President.

● (1540)

I enter this letter into the record because it makes some extremely important points. First, the accusation states that the industry has not been able to study the full impact of the changes being proposed, that the changes themselves cover some 3,000 pages. It also notes that this Parliament and all Hon. Members will not have much of an opportunity to understand this piece of legislation. Indeed, I think the association understates the facts. How many times do we get a piece of legislation that covers some 3,000 pages which the Government expects just to pass through in a pleasant afternoon sitting?

Again, we have a similarity between what the Government is doing with Bill C-87 and what it is doing with free trade. I am certain the trade agreement our Prime Minister and President Reagan will sign will cover hundreds of pages of technical agreements which will affect the nooks, crannies and corners of this country, little industries here and there. It will have profound impact on various regions and their industries, no one will have an opportunity to really digest what it all means and what the impact will be in the long term.

The Government is asking the people of this country to agree to something without seeing the fine print. That is like the proverbial second-hand car salesman trying to sell a lemon, trying to get you to sign on the dotted line, without letting you read all the fine print.

**Mr. Manly:** Would you buy a used car from that man?

**Mr. de Jong:** No, I would not buy a used car from that man, Mr. Speaker. The letter from the Automotive Industries Association makes some other points as well. It points out, for example, that the Government has been working on this conversion for over seven years. Yet only recently have Canadian companies been given some hint of the final draft. It points out errors and omissions it has noted that leads it to believe that companies and industries will be adversely affected by the tariff changes. In other words, it is stating that the Government has not even done its work properly over these last seven years. There are errors and omissions in what we are asked to pass today. These errors and omissions, while they

have been pointed out to the Government, have not been acted upon.

The association also points out in its letter that several industries, the automotive aftermarket, farm implements, manufacturing and other industries are far from being informed or prepared for the changes in duty rates that will become effective on passage of this legislation. An industry that is important to this country is being asked to comply with changes that have been sprung on them, that it has not been able to digest properly and does not know what the effects will be. It also points out in its letter that because of some of the tariff changes, manufacturing could be driven to the United States. For example, and I quote again from the letter:

To completely abandon these concepts without a satisfactory conversion period could result in a shifting of manufacturing capability to plants outside Canada.

Again, the industry is warning us that the unforeseen effects of Bill C-87 might very well be that industry is driven out of this country. It is saying that the Government and the industry, which has not been properly consulted, have not really thought this through. I suspect and submit that it is also true of the trade agreement the Government is attempting to force on the Canadian people. That is something the Government has not totally thought through. The association brings up some very important points that are quite similar to the debate on the trade agreement on which this country is now embarking.

The other aspect of Bill C-87 which is also worth noting is that while the Tories on June 6, 1986, imposed a 10 per cent duty on books and periodicals in response to the U.S. 35 per cent tariff on Canadian shakes and shingles, the Government, after an outcry by the book industry in this country withdrew the 10 per cent duty on books and periodicals but did it through a remission order, in other words, an order from Cabinet. What Bill C-87 now does is to maintain the duty on books and periodicals in legislation and does not take it off as it should. In other words, while the remission order is still in place, the legislation is also in place which allows the Government to reintroduce the tariff on books and periodicals. Why has the Government left this out of its legislation? Is it really thinking of slapping a tariff on books and periodicals again? I do recognize that the Government has some trouble with books and things of intellectual quality. I recognize that some of the Hon. Members are not too familiar, perhaps, with books and periodicals and feel they are dispensable. After all, they are luxuries, and we might as well slap a 10 per cent tax on them.

**Mr. McMillan:** Nonsense.

**Mr. de Jong:** Of course, I recognize the Minister of the Environment (Mr. McMillan) as one who, I would tend to think, is quite familiar with books and periodicals. I am not suggesting that all members of the Conservative Party are strangers to books and periodicals, but listening to some of the remarks of members of the Government one can only come to the conclusion that it has been a long time since they read a