

terms. It may, therefore, be more difficult to communicate on these matters.

This is true as well in the field of agriculture, for example. One of the few areas of stability in the present agricultural crisis with regard to grain is the supply management or marketing boards. The Canadian Wheat Board has had a two-price wheat system. In the Okanagan in the interior of British Columbia there have been seasonal quotas on imported vegetables and fruit. Similarly, there have been certain tariff preferences on wine and other products. This is necessary because those are vital Canadian industries which must be protected against a flow of cheap commodities from other countries being dumped into Canada.

One of the great vacuums in the trade policy of the present, short-lived Government is its total misunderstanding of the use of the tariff system. That is why there is failure in our trade policy. There is no orchestration or integration of the various aspects of market and tariff development to give a sense of coherence to enhancement and stimulation of Canadian industries, the growth of which we want to encourage.

With particular reference to this Bill, with regard to computer parts we forget that in the Tokyo Round we paid for free access of our softwood lumber products to the United States by giving the Americans preferential tariffs, which amounted to virtually no tariff on computer parts. When we negotiated the Tokyo Round we put a price on the table which we thought was reasonable and we paid that price. Then the United States slapped a countervailing duty of 15 per cent on us.

Rather than standing up to the Americans and saying that we have paid the price by giving them free access to computer parts, which is a multibillion dollar industry, again in the perverse logic which only Tories understand, we put a tax on ourselves. Once again we forego the utility of using our tariff system as a clear part of our trade policy, as the previous Government did in negotiating the Tokyo Round by lowering tariffs on computers in order to get access for softwood lumber. That was forgotten.

The problem may be that for Conservative cabinet Ministers history began on September 4, 1984. They pay no attention to anything that happened before then.

I take this opportunity to serve notice that we decry the lack of a coherent trade policy and the fact that we have Bills such as this. One moment the Minister of Finance moves a Ways and Means motion to put tariffs on tea-bags, Christmas trees and books. The next minute he takes it off with no apparent trade-off in between. What did we get from the Americans as a result of this? What possible trade-off was there? What value was received? The only value received which we can see is that finally, after much pressure, Canadians were allowed to read books without an increased cost. However, we then conceded on softwood lumber as we conceded on patent Bills and are now conceding on investment.

### *Customs Tariff and the Duties Relief Act*

I believe Canadians are concluding that the imbroglio between the Minister for International Trade and the chief U.S. negotiator is only symptomatic of a much broader confusion, lack of purpose, and lack of coherence in establishing an effective and proper trade policy. I do not know if the Minister of Finance is going to elope with the Minister for International Trade, but I wish they would get together and start working out something in common so that Canadians will know that a trade policy will have some meaning and purpose to it.

**Mr. Simon de Jong (Regina East):** Madam Speaker, I, too, wish to say a few words on Bill C-69, an Act to amend the Customs Tariff and the Duties Relief Act. It is no wonder that in the dying hours of the last day before summer recess the Government brings in something which it does not want to have fully debated or fully exposed in this House. The Government is in retreat with its tail between its legs, and the less said about this Bill the better it will be for the Government.

As the Minister pointed out, one of the measures in this Bill is to rescind the steps the Government took in response to the American step of slapping a 35 per cent tariff on Canadian cedar shakes and shingles. We remember when that major unilateral action was taken by the United States. It shocked and outraged Canadians and the Government had to do something. At that time the Minister for International Trade (Miss Carney) and the Prime Minister (Mr. Mulroney) stood up in this House and with great gusto announced that Canada was not going to take it, that we were going to do something in return, that we were going to teach the Americans that they just cannot treat us this way.

Then the Government acted. It slapped a tariff on books, it slapped a tariff on tea-bags, and it slapped a tariff on Christmas trees. In fact, the Government hit itself and then hit itself and then hit itself again. As the spokesperson for the Liberal Party pointed out, there was a masochistic tendency in what the Government did. The tariff on books hurt Canadians more than it hurt the Americans. The tariff on Christmas trees had the potential of hurting Canadians more than it hurt Americans because we ship a lot more trees south than are shipped north and if we slap a tariff on American Christmas trees the Americans will slap one on Canadian Christmas trees. The products of hundreds of small operators close to the border would have been at a disadvantage on the American market.

Through Bill C-69 the Government is lamely admitting that the actions it took back then were counter-productive and were hurting Canadians and Canadian industry. Today the Government has its tail between its legs and is introducing this legislation which quietly withdraws the measures it took earlier.

• (1230)

Of course, the situation has not changed with respect to the American tariff on cedar shakes and shingles. If the story were