

*Duties Relief Act**[Translation]*

Mr. Alfonso Gagliano (Saint-Léonard—Anjou): Mr. Speaker, when this Bill came up for second reading we said we would make sure it would pass very rapidly. After reference to the legislative committee we simply asked for a letter from the Canadian Association of Customs Brokers confirming that the technical nature and the administration of this measure would not create more problems. We did get the CACB endorsement letter so we support this Bill and, as the Parliamentary Secretary pointed out, we hope it will be enacted at the earliest opportunity so that Canadians, industries and businessmen may benefit from it.

First of all, Mr. Speaker, this Bill implements the full consolidation of existing duty relief, reduction and deferral programs now included in legislation, regulations, decrees and ministerial orders.

As the Parliamentary Secretary said earlier, this Bill has very important provisions concerning machinery, among other things, and all machinery importers or exporters will be able to use it.

Personally I hope the list will be carefully drafted and contain enough specifications. I have in my riding a company interested in this matter, the *Vitrerie Bouchard*, which imported machinery, an oven to process glass, because all available information had indicated that it was not available in Canada. So the company had to pay customs duties, but when it applied for a refund it was told that the item could have been manufactured here. Unfortunately, there had to be some checking. A company claims it could have made the item, so the buyer asks for specifications to see whether it is possible to get what he wants and the company replies that it is not necessary, you have already bought the machinery, so why waste time. So there is no co-operation, yet the company was unfairly required to pay customs duties of \$100,000 even though a manufacturer claims he could have made the machinery right here in Canada.

To protect our jobs and our manufacturers here in Canada, we need a more exhaustive list as a safeguard for companies which need to import machinery because it is not available in this country. Let us hope that the list will be complete and readily accessible to avoid setting up another bureaucratic structure to administer the whole thing, only to face a bigger problem than the one we have now after a year or so.

So on behalf of my Party I support this measure and I hope Canadian businessmen and industries will find it useful.

• (1220)

[English]

Mr. Nelson A. Riis (Kamloops—Shuswap): Mr. Speaker, it is a pleasure to make a few comments regarding Bill C-98, a Bill which is essentially designed, not to introduce new legislation but to provide an opportunity for the Government to consolidate various enactments that provide for drawbacks, reductions, refunds and remissions of duties, other than the

export drawbacks for which provision is made in Sections 82 and 87 of the Customs Act with which most of us are very familiar. I would like to make two points in this wrap-up third reading discussion.

First, I would like to point out the advantage of one of the provisions of the Bill, which is the requirement that the Government compile and provide specific listings of all of those items, primarily machinery and equipment, not available in Canada which can be imported duty free, and alternatively a list of the domestic manufacturers of machinery and equipment which had previously been allowed into Canada duty free. This will assist many manufacturers by giving a clear indication of which kinds of machinery and equipment on which they could expect a remission or other forms of duty relief.

According to the notes which we were provided at the introduction of the Bill this legislation will bring about the consolidation of existing duty relief and the reduction in deferral programs presently set out in various statutes, regulations, Orders in Council and Ministerial Orders. The purpose of all of this is, of course, to design a system to assist Canadian manufacturers in increasing their competitiveness in foreign and domestic markets.

One of the concerns we have regarding Bill C-98 is what it might do in support of certain kinds of initiatives that are being taken, not by the federal Government but by some provincial Governments, most specifically the Government of the Province of British Columbia. In the Budget Papers released with the May 1985 Budget there was a reference made that this Bill would be in direct response to the needs identified by other Governments, particularly that of British Columbia which had urged the adaptation of customs procedures which would help attract new investment.

One of the concerns of an individual who was interested in manufacturing primarily for export was that there was a whole complicated system of various relief programs available to assist that entrepreneur, but it took a great deal of digging around, evaluating and analysing to find out just what was available. This Bill is a major step forward toward consolidating all of that information so that the exporter and manufacturer working together will have a very clear idea of what is available to help them develop industries for export competition.

Our concern, however, is that the Province of British Columbia wanted the federal Government to provide for this consolidation to enable it to proceed with its special enterprise zones program. The Province of British Columbia introduced Government Bill 49 entitled "Special Enterprise Zones and Tax Relief Act". Basically, the Bill offers special tax status to corporations investing in a particular zone, once it is identified, and certain tax benefits.

The main supporter of free enterprise zones or free trade zones is the federal Government. Without its participation very