

*Adjournment Debate*

is not the case the minister should take immediate action to rectify the situation.

In conclusion, Mr. Speaker, the Department of National Revenue should make it a policy to help Canadian industry as much as possible and not hinder and hurt it by discriminatory practices such as the Manitoba automotive parts industry is presently experiencing.

I should like to point out that yesterday the minister—

**The Acting Speaker (Mr. Turner):** Order. I regret to inform the hon. member that the time allotted to him has expired.

**Mr. George Baker (Parliamentary Secretary to Minister of National Revenue):** Mr. Speaker, may I say first of all that what the hon. member charges against the department is, according to the information I have, in fact not the case. The customs department's procedures for the administration of tariff items containing provisions for parts have evolved over the years. While the number of such items has increased significantly in recent years, the basic administrative policies have been in effect for decades and have always been applied uniformly across the country.

Due to the construction of the customs tariff the classification for interchangeable parts is admittedly complex. For example, starters for engines may be classified under one tariff item when for tractor use, under another tariff item when for incorporation into agricultural implements or agricultural machines, under another tariff item when for machines used exclusively in the operation of logging, under another tariff item when used for certain engines used in the repair of motor trucks, motor buses, ambulances or hearses, and under another tariff item when for general use. Other tariff items may also be applicable depending on how the starters are used.

Ordinarily where end use cannot be determined the department requires that entry of goods be effected under the tariff item applicable for general purpose use. If the importer can subsequently establish that the use of the article qualifies it for a lesser rate of duty a refund claim may be filed under Section 113 of the Customs Act for recovery of the duty overpaid. Such claims must, of course, be supported by evidence of use. I would stress, Mr. Speaker, that this is not a new policy but is one which has been in effect for many years in all provinces of Canada.

Finally, if an importer wishes to contest the tariff classification of any goods, parliament has provided an avenue of appeal under Sections 46 and 47 of the Customs Act. These appeal procedures may, of course, be taken advantage of by any firm which considers that it has not been properly dealt with under the law. We will certainly investigate the information the hon. gentleman has, and follow up with the Automotive Industry Association of Canada.

FISHERIES—REASON FOR DELAY IN ASSISTANCE TO IRISH MOSS HARVESTERS

**Mr. David MacDonald (Egmont):** Mr. Speaker, hon. members will recall that a little more than a month ago, on October

[Mr. McKenzie.]

21, I raised the matter of an appeal by the Prince Edward Island Fishermen's Association to the Minister of Fisheries (Mr. LeBlanc) for assistance to the very seriously jeopardized Irish moss fishery of Prince Edward Island. Perhaps members of this House and members of the Fourth Estate were not absolutely sure what the Irish moss industry was, and I received some fascinating questions and comments at that time. I want to assure members that I am sure the parliamentary secretary is well aware that this is a very significant part of fisheries which is the largest resource industry in Prince Edward Island.

In July the Prince Edward Island Fishermen's Association wrote the Minister of Fisheries requesting assistance for Irish moss harvesters whose loss of income they said, and I quote from the letter "threatens severe economic depression" to their area. The thing that particularly disturbed me was the length of time it took to get a response, first from the regional office which seemed to take almost two months, and even longer—I believe it was almost three months—before in fact a visit was made from the Department of Fisheries to the people responsible for the industry in Prince Edward Island. They were told at that time it would take at least another month before they had some indication as to whether action would be forthcoming.

I want to indicate to members of the House the importance of this fishery. Let me quote from a letter that was sent on July 16 to the minister from the Prince Edward Island Fishermen's Association. It states:

The fishery represents a large share of total fish landings and total shore value of fish. In 1974, total fish landings . . . for P.E.I. were 111,616,700 lbs. with a shore value of \$11,976,705 (Irish Moss figures included). Irish Moss landings for 1974 represented 76,036,100 lbs. or shore value of \$3,109,744 which represents 24 per cent of shore value of P.E.I. fish landings. In 1975, figures for total fish landings were 72,231,500 lbs. or \$12,415,823 shore value (Irish Moss included). In 1975, Irish Moss landings represented 40,318,200 lbs. or \$1,609,788 shore value which represents more than 12 per cent of total value of fish landings. The harvesting of Irish Moss is presently at an all time low. Landings are down and so are prices which are the two major problems presently facing the harvesters; the latter being more of present significance.

P.E.I. is one of the world's largest suppliers of Irish Moss and had always been praised for its high yields in the extraction process. The harvesters, however, beginning in latter 1975 and extending into 1976 have had difficulty in marketing their product and receiving a price necessary for profit. Since 1974, costs have been escalating 12 per cent per year while prices have dropped roughly 20 per cent within 1974-1976.

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The P.E.I. Fishermen's Association have been requested, by the Irish Moss harvesters, to request a subsidy of one and one-quarter cents per pound for wet moss and 5 cents more per pound for dry moss, to offset losses in income now experienced. The harvesters feel that since the subsidy system is now present in other sectors of the fishery experiencing difficulty, the request is reasonable.

The P.E.I. Fishermen's Association Board of Directors have unanimously voted in favour of this request and are now officially presenting it to you and your department.

We feel that the Irish Moss harvesters are facing a serious loss of income which will have a serious effect to fishermen and the general economy of P.E.I. The subsidy stated previously does seem fair and could be implemented until the present marketing problems are solved. We also request your department to initiate a program of research into market conditions and potential for the Irish Moss industry so the problems would be solved and the subsidy thus granted.