

therefore the water supplies of significant parts of my constituency.

● (1530)

I understand that this particular question is being looked at simply from a customs point of view, as to what customs facilities need to be built on the Canadian side in order to mesh with the customs facilities which have been built on the U.S. side. That is simply not good enough. We need a careful environmental inspection of what could be an extremely hazardous situation for people in the City of Windsor and people elsewhere in my constituency.

I would ask the Minister of the Environment (Mr. McMillan) to check into this matter and see to it that there is an environmental review of what is being proposed in this case. I see him nodding his head.

This Bill, which deals with the Customs Tariff, also provides some of us who have not had a chance to speak about the free trade deal that has been initialled with the United States an opportunity to discuss the many inadequacies of that trade deal. I hope my colleagues and others will take the occasion to raise questions and express points which concern them and their constituents with respect to this very inequitable trade deal which has been signed with the United States.

Mr. Simon de Jong (Regina East): Mr. Speaker, Bill C-87 is a long and very complicated Bill dealing with the imposition of duties of customs and other charges, to give effect to the international convention on the harmonized commodity description and coding system, to provide relief against the imposition of certain duties of customs or other charges. Notice of this was tabled in the House on October 2, 1987, in a Ways and Means motion.

Bill C-87 provides for the revision of the Customs Tariff. Despite the convoluted description, it is indeed largely a technical Bill. The revision has been to restructure the existing Customs Tariff according to the principles of the harmonized commodity description and coding system, an internationally based system for the standardization of Customs Tariff clarification and statistical trade data.

Canada intends, along with other GATT members, to implement this HS-based tariff legislation on January 1, 1988.

The date itself concerns our Party.

This legislation reflects the same scenario we see with the trade agreement the Government intends to sign with the United States. It has asked a committee of this Parliament to begin touring the country to receive representation from Canadians about the impact of the agreement. Yet we know that the fine print of this agreement has not yet been agreed to, let alone made public. The Government is asking Parliament to seek the opinion of Canadians on this very important and historic agreement that will affect the nature and future of this country for years to come, without actually seeing the fine

Customs Tariff

print. That is shameful in view of the Government's promise of a process of open consultation with the Canadian public.

The Prime Minister (Mr. Mulroney) and the Government took great pride in its promise during the last election of an open government that would consult the people. Certainly, Canadians wanted an open government that consulted them, after years of Liberal Governments and a Prime Minister who took actions that were not based on consultation.

However, this Government is exactly the same, particularly in respect of the free trade deal and Bill C-87.

I want to read a letter that was sent to the Hon. Minister of State for Finance (Mr. Hockin) on October 8, from the Automotive Industries Association of Canada. They ask the Government to postpone implementation of this legislation for six months because it has not been able to properly digest the contents of this very complicated Bill. Yet the Government is insisting on ramming it through and implementing it without proper consultation.

The letter states:

Dear Minister Hockin:

I am writing on behalf of the Automotive Industries Association of Canada, the national trade association that represents more than 1,200 suppliers, distributors and wholesalers of automotive parts, accessories, tools and equipment. Our industry employs over 70,000 people and volume of sales annually at the wholesale level exceeds \$7 billion. Our members also supply products for related industries, such as agriculture, forestry and industrial machinery and equipment.

We believe that the implementation date of January 1, 1988 for the new Harmonized Tariff System must be set back at least three months, to April 1.

Such action would parallel the three month set-back being provided in the U.S. for the comparable legislation. This document of some 3,000 pages will receive no more than cursory examination by the majority of members of the House of Commons. Furthermore, the tight schedule precludes detailed study by the industries that will need to comply with the new system.

Government has been labouring over this conversion for over seven years, yet only recently have Canadian companies had some hint of the final draft. The errors or omissions we have noted lead us to believe that companies in industry will be adversely affected by the tariff changes.

Importers need to know how to classify inventory well before the implementation date so they can classify goods on the implementation date and know which changes in duty will apply to their products. We believe that the automotive aftermarket, farm implement, manufacturing and other industries affected are far from being informed or prepared for changes in duty rates that will become effective on passage of this legislation. Indeed, importers may even have been misinformed of the status of importations by unannounced or unexplained changes in the original draft of the Harmonized System.

A significant portion of Canadian industry exists because of the end use made/not made in Canada provisions.

To completely abandon these concepts without a satisfactory conversion period could result in a shifting of manufacturing capability to plants outside Canada. While we favour a free trade agreement between Canada and the U.S., a minimum five year phase in is needed. That means continuing tariffs for those automotive products that are also produced in Canada.

The AIA made a presentation to the Tariff Board in May outlining a number of errors and omissions in the draft of the Annex to the Harmonized System (correspondence enclosed). Their report on proposed amendments, intended to be issued this November, has now been delayed we understand until April 1988. This would be after the January 1st implementation date. How can you implement legislation until the rules and regulations are finalized?