

Customs Tariff

Mr. Peters: The hon. member says no. It comes into Canada and the parliamentary secretary said it was at the American price.

Mr. Blenkarn: Converted into Canadian dollars.

Mr. Peters: When you bring something into Canada, you pay for it with the Canadian dollar. That causes an immediate disadvantage of 16 per cent. Our dollar is worth only 84 cents U.S. The tariff for a most favoured nation, and that applies to the Americans, is 15 per cent. That does not even cover the exchange. When translated into Canadian dollars, there is no longer an advantage.

There are two other matters about which I am confused. Why are we being asked to pass schedule I in November when it does not apply to some of the commodities? In Canada we do not have an asparagus crop in October. Therefore, it does not have to be changed from one number to the other. By the end of October, that does not apply. That would only apply in the spring. This bill may have been drafted two or three years ago, but I still do not understand why it should apply to October.

In schedule V, which applies to after October, there is a totally new number, section and rate. After the end of October, instead of 3½ cents it is 5½ cents but not less than 15 per cent. It was 10 per cent previously. Therefore, it does not apply. A bill was not passed previously to make it apply so I do not understand why it should be applied now.

I would like to know from the parliamentary secretary how many other numbers in clause 2 do not apply. The new act will apply from the end of October. Beets, turnips, potatoes and apples are covered after October because they are stored and sold later. They are probably sold from September on. Therefore, the schedule would cover the period from September to the end of October. I presume this was anticipated. If not, it really does not matter because it would be void.

One of the problems with a new government is that it does not always check the figures of the previous government. When something is presented later than its effective date, there is no point in presenting it. I am sure the officials can advise how many items in clause 2 that are covered by schedule I and replaced by schedule V are null and void. We should not pass them. They might as well be taken out.

Mr. Ritchie (York East): Mr. Chairman, the hon. member has raised two questions, the first one reopening the question as to what the duty applies to. The best answer is to say that, as is usually the case, the duty applies to fair market value in the country of origin. In the example he used, the United States, that would be in U.S. dollars; the duty would be applied and the fair market value would be converted to Canadian dollars and the duty applied in Canadian dollars. The lower value for the Canadian dollar is in one sense an additional protection rather than the reverse, because the same price in U.S. dollars costs more when imported into Canada in Canadian dollars; you would have to lay out more Canadian dollars to get it.

[Mr. Peters.]

● (1600)

On the other question of how much of this bill is null and void, it is proper to say that in a sense none of it is null and void. What this bill proposes is to enact into law the arrangements, including the seasonal arrangements and the tariffs, applying in seasons of high production here; they will apply next year and into the future until amended. There is some interesting history, though. These items, all of which were brought in by the November budget of last year, were never enacted. That did not matter until Parliament was dissolved, because during the interval between Parliaments the items the government of the day chose to act on happened to be only ones that introduced tariff cuts as opposed to tariff increases, and those were dealt with by a remission order.

As is ordinarily the case, the budget became effective before its provisions were enacted, but in this case, in line with the normal procedure, the remission order has to be regularized. Thus, part of the bill before us deals with something which has already been done under emergency powers, if you like. Then the bill goes on to deal with the other things originally proposed by the tariff board and contained in the budget. To me, this suggests that the whole of the bill is necessary even though parts of it pertain to things which have already been done.

Mr. Peters: I thank the parliamentary secretary for his lucid explanation.

An hon. Member: It won't help any, though.

Mr. Peters: It might help. I agree there might not be any point in picking out the ones that have never been used and which were therefore triggered by the budget rather than by special order because many of them were raised, not lowered, and only the lower ones were used. In many of these cases the changes which have been made, I gather the parliamentary secretary is telling us, have involved reductions in tariffs, not increases.

Clause 2 includes all those items in schedule I so really we have lost money. Is the amount shown anywhere in this document? Is an estimate made of the sum which might have been anticipated had the changes not been made? In other words, does this indicate what revenue from duty resulting from these amendments, either raising or lowering the amounts, might have been expected? This presents us with a real problem because there is no way of knowing from what we have before us what the general purpose of these changes is—for example, whether they reflect changes negotiated under GATT. Nor do we know how they are applied. There is no indication that Canada has entered into international agreements with regard to specific commodities and I am not able to tell from the bill whether we have decreased or increased total income from duty. Some items moved up 5 per cent, say, or down 3 per cent, but from the point of view of the workings of the economic system it is impossible to tell where we are going. Maybe I am missing something. I see nothing here enabling us to estimate the results of these changes this year as