

To emphasize its recognition of the seriousness of these costs, the former Government went on to conclude its instructions to the tribunal in the following terms, and again I quote:

—in the event of a determination of injury or threat thereof, recommend a formula by which the special measures of protection could be phased out through a progressive liberalization process covering a period of not more than three years, by which time the Canadian industry would be required to face international competition without special measures of protection.

I believe that the previous Government was receptive in setting these terms of reference. The new policy we have adopted, which is based on the findings of the tribunal, is consistent with the analysis behind these instructions.

[Translation]

As Minister of Consumer and Corporate Affairs, Mr. Speaker, I am particularly interested in the impact of quotas on Canadian consumers.

Though it is widely acknowledged that over-all quotas might protect the industry to a certain extent, they do have unfavourable effects on consumers by forcing them to pay more for goods which do not necessarily meet their needs and tastes. Shoe import quotas are not an exception to this general rule.

Evidence adduced during public hearings held by the tribunal clearly shows that quotas were responsible for higher prices for both imported and Canadian-made shoes. By restricting the supply of imported shoes, quotas make them more expensive and consumers are encouraged to buy domestically produced shoes which are relatively less costly. Stronger demand for Canadian shoes is the signal our manufacturers need to boost production and increase prices.

But quotas have a more subtle and pernicious effect than a simple across-the-board price increase: they create an artificial shortage of imported shoes, and import permit holders benefit from a shortage premium which amounts to an additional income. This is reflected in the difference between the price which the permit holder is able to buy his footwear on the national and world markets, and the price which he can sell them to Canadian wholesalers and retailers.

The quota system having thus given import permits a financial value, it is understandable that the holders, who have obtained these permits on the basis of their purchases over the preceding years, are unwilling to use them to purchase cheap footwear.

The Acting Speaker (Mr. Charest): I must regretfully interrupt the Hon. Minister, but it being 1 p.m., I do now leave the chair until 2 p.m.

At 1 p.m., the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

S.O. 22

STATEMENTS PURSUANT TO S.O. 22

[English]

SPORTS

B.C. LIONS TRIUMPH IN GREY CUP FOOTBALL CHAMPIONSHIP

Mrs. Mary Collins (Capilano): Mr. Speaker, 21 years often implies a coming of age, so yesterday, in Montreal, the B.C. Lions, who roared in 1964, finally came alive again in 1985. After 21 years they have returned the Grey Cup to British Columbia.

Some Hon. Members: Hear, hear!

Mrs. Collins: All British Columbians who sat in the stands yesterday, or watched the game on television, felt a surge of western pride rising once again. As politicians know only so well, you cannot beat winning. Even our Liberal friends, if they were here, those who participated in that PR junket to B.C. on the weekend, would now probably be more aware of what a frosty Friday is like in Vancouver. They, too, I am sure, felt overwhelmed by the enthusiasm and pride which spread through British Columbia yesterday when our Lions ate the Hamilton Cats for brunch and we could truthfully say once more: we are the best.

Tomorrow a victory parade in Vancouver will provide a second opportunity for residents of Vancouver and the Lower Mainland to show their support of and gratitude to the B.C. Lions and this special all-Canadian sports competition in which the Canadian Football League enables us all to participate.

I was impressed, too, by the very special sportsmanlike behaviour of Canadians from across the land who attended yesterday's game. As I left the stadium surrounded by orange—

Mr. Speaker: I regret to advise the Hon. Member that her time has expired.

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ADMINISTRATION OF JUSTICE

ABSENCE OF COMPANY CHARGED IN PCB HIGHWAY SPILL

Mr. John Parry (Kenora-Rainy River): Mr. Speaker, a trial is now taking place in the town of Kenora where the defendants have not even bothered to show up. The trial involves the spill of polychlorinated biphenols along the Trans-Canada Highway last spring by a company which has since ceased operations and apparently vanished. Among the charges brought against this company, four involve the offence of unlawfully permitting the discharge of materials contrary to the Ontario Water Resources Act. These charges contain a provision for fines and jail sentences if the defendant is found guilty. If, however, the defendant is not to be found in court on the day of the trial, something is clearly wrong.