

Customs Tariff

problems of adjustment for certain segments of Canadian industry, and this is why it has set up the general adjustment assistance program. It should be a matter of some satisfaction that to date, out of the hundreds of general inquiries received by the board, there have only been 11 formal submissions for assistance under the program, only one of which, if I am not mistaken, was based on an allegation of injury as a result of the various changes rather than a request for assistance to enable the firm in question to take advantage of additional opportunities created by the Kennedy round tariff negotiations.

The hon. member for Edmonton West and also the hon. member for Wellington drew the attention of the committee to the importance of dealing with non-tariff barriers. I can assure the committee that the government is certainly aware of the need for further action to eliminate non-tariff barriers. When I spoke on the resolution stage I believe I mentioned a special working party, of which Canada is a member, set up under GATT to develop programs for this very purpose. The GATT countries' working party is now examining how best to deal with the non-tariff barriers that are identified by member countries and, as I have said, we are taking a very active part in these discussions.

The hon. member for Moose Jaw repeated his suggestion about keeping in constant touch with the effects of the Kennedy round changes upon the agricultural industry. I can assure the hon. member that this is a practice that is now being observed. The hon. member also made some remarks about multi-national corporations. I think this committee should be aware that the Minister of Finance, when he spoke in New York on November 18, made it clear that the government is fully aware of the problems that can be created by multi-national corporations for international trade. Certainly it is giving attention to the study of measures that might be put into effect to deal with these problems.

If I may deal briefly with one or two other points, Mr. Chairman, the hon. member for Huron wanted to know what effect the tariff changes would have on the salt industry. I can assure him that this situation is being kept under review. Present indications seem to be reasonably optimistic. I am informed that there are at least two new developments being introduced in the method of production. I understand that an announcement was made recently of a new salt manufacturing plant in Saskatchewan. Also may I reassure him that gloves have not been affected by the Kennedy

round changes that are reflected in this bill. The tariff remains unchanged at 20 per cent British preferential, 25 per cent most favoured nation. He also made some reference to a higher duty on loading tools for shells, I believe. I am informed that changes in this matter will come about as a result of a ruling of the Tariff board rather than through any changes we are considering at this time. We are keeping this matter under review as well.

• (4:50 p.m.)

In conclusion, Mr. Chairman, may I say that various hon. members have made references to the possible effects of the tariff changes in question. I should therefore like to repeat again what I said when I concluded the debate on the resolution stage. Most of the changes we are considering now in the form of Bill C-131 have been in effect provisionally for almost one year, and therefore we are able to see actual results and definite trends with respect to our international trade. I think most observers will agree that the results so far are very encouraging.

I put some figures on the record when I spoke on November 19, pointing out that the Minister of Industry, Trade and Commerce, in a speech to the Canadian Export Association a few weeks ago, stated that in the first nine months of 1968 our merchandise exports reached \$9.9 billion, up 1.6 billion or 18.4 per cent from the same period last year. I said:

Meanwhile our imports have risen at a slower rate, by \$811 million or about 10 per cent. In consequence I think we should be pleased to note that Canada is well on its way to achieving a \$1 billion merchandise trade surplus this year... this will be the largest favourable trade balance recorded in the post-war period.

All this has happened since the Kennedy round changes went into effect almost one year ago. So, although one can understand the concern and apprehension which have been expressed, I think the actual facts shown by the figures should provide not only reassurance but also encouragement as to the positive effect over all for Canada, Canadian industry and Canadian workers of the results of the tariff negotiations reflected in this bill. Therefore I would certainly urge the committee to give this bill favourable consideration.

Mr. McIntosh: Mr. Chairman, I wish to direct some remarks to the parliamentary secretary following my remarks of November 14. I still wish to hear a definition of the term "internal combustion tractor". That definition ought to be included somewhere in this bill. Although the parliamentary secretary said