

Customs Tariff

clarification I refer Members of the House to today's *Order Paper and Notices* wherein it states that Bill C-272 standing in the name of the Hon. Member for Peterborough (Mr. Domm) will be called on June 13. I understand there is a disposition not to call that Bill tomorrow. If that is so I would like to know. If we are to negotiate eight Private Members' Hours in the next two weeks I would also like to know when we will agree to do that. Perhaps tomorrow will be too late.

● (1510)

Mr. Lewis: Mr. Speaker, if I could be of assistance to the House, what we have proposed in the process of negotiations is to take what is in the Order Paper as it stands and make two changes about which I have spoken to the Hon. Member. Our staff is presently working on this matter at the moment. If the Hon. Member will bear with us, I think he will see that we can come back to the House and everything will be done so that no one is surprised. I am sure it can be taken care of without the necessity of having us negotiate it on the floor of the House of Commons.

GOVERNMENT ORDERS

[English]

CUSTOMS TARIFF

MEASURE TO AMEND

Hon. Ray Hnatyshyn (for the Minister of Finance) moved that Bill C-111, an Act to amend the Customs Tariff and to amend an Act to amend the Customs Tariff, be read the second time and referred to a legislative committee.

Mr. Pierre H. Vincent (Parliamentary Secretary to Minister of Finance): Mr. Speaker, I am pleased to present to the House today Bill C-111, an Act to amend the Customs Tariff and to amend an Act to amend the Customs Tariff. This Bill follows from a Notice of Ways and Means motion tabled on February 26, which was revised by a subsequent notice tabled on May 21.

Bill C-111 amends the Customs Tariff to provide for preferential duty-free entry for imports from the Commonwealth Caribbean. It also makes a technical amendment to Section 15 of the Act, and amends other provisions to respond to recommendations of the Tariff Board, and to the evolving needs of the Canadian private sector. As well, it amends Bill C-38, an Act to amend the Customs Tariff, governing importation of obscene material and hate propaganda.

All Members of the House are aware that Canada has an important role to play in assisting developing countries to meet their economic development goals.

[Translation]

As Hon. Members also know, Mr. Speaker, Canada's external policy acknowledges the existence of a special

relationship between Canada and Caribbean Commonwealth member countries.

The commercial and economic ties between Canada and those countries date back to the days before the advent of Canadian Confederation. Mr. Speaker, these historic ties are re-inforced by the fact that Canada and the Caribbean countries share a common language, that their democratic institutions are similar, and that they are members of the Commonwealth.

[English]

Because of this special relationship the Government has responded positively to a request made to our Prime Minister (Mr. Mulroney). The Commonwealth Caribbean Heads of Government asked Canada to institute a package of trade, development assistance and double taxation measures to assist them in their economic development efforts. This Bill makes provision for the cornerstone of CARIBCAN, as these measures are to be known. It provides for the duty-free entry of the vast majority of imports from these countries.

When the Government was considering how to respond to this request from the Commonwealth Caribbean the views of Canadian manufacturers were sought. I am pleased to advise Hon. Members that there was broad support for this initiative among Canadian manufacturers, provided that certain safeguard mechanisms were integrated into the CARIBCAN duty-free provisions.

Specifically, manufacturers wished the Government to ensure that only goods which were actually produced in the Commonwealth Caribbean qualified for duty-free entry. They also wished to be able to make their case to have duty-free rates withdrawn, should imports of particular products under CARIBCAN cause Canadian-produced goods to become uncompetitive in the domestic market.

This Bill responds to these concerns. It provides for appropriate "rules of origin" to be established and allows the Governor in Council to withdraw duty-free rates in cases of injury, or threat of injury, to domestic producers.

[Translation]

I will ask the Tariff Board to accept and examine applications for the withdrawal of duty-free entry from Canadian manufacturers. All parties concerned, including manufacturers from the countries involved—Caribbean Commonwealth member countries and (or) their Governments—will have an opportunity to make representations to the Tariff Board when it holds public hearings to consider these applications.

[English]

Although there was, as I have mentioned, broad support for providing duty-free entry under CARIBCAN, there were some manufacturers, however—notably in the textile and clothing, luggage and handbag, and leather garment sectors and in two sub-sectors of the petroleum industry—that expressed strong reservations. They felt that duty-free imports from the Commonwealth Caribbean could cause them injury.