

Customs Tariff

brokers and importers throughout Canada in describing the new system. Let me quote from it:

In early 1986, the Finance Minister confirmed the adoption of the new system for January 1, 1988 under the condition that our major trading partners, i.e. the U.S. and Japan, adopt harmonized system at the same time.

We understand that things are not moving as fast in the United States as they should. Feet are being dragged. As of December 2, the harmonized system legislation was still part of a large omnibus trade Bill that is moving slowly through Congress. According to the United States trade representative, Congressman Sam Gibbons will be introducing separate legislation governing a harmonized system next week. There is little assurance the Bill will be dealt with before the January 1 implementation date.

Officials in the U.S. trade division of External Affairs have confirmed that there remains a great deal of uncertainty about whether the Americans will move to the new system and when they will do so. In fact, at committee, the Minister of State for Finance (Mr. Hockin) conceded this.

We think implementation of the Bill itself should be delayed until such time as our major trading partner is in a position to implement its side of the bargain. For that reason we have moved to delete the implementation clause. I would suspect that if that motion passes, the Government of Canada would be required at a future point in time to bring in a one clause Bill that would provide for the implementation.

Given the fact that quite clearly people who are directly involved, the brokers and the importers, were told that it was conditional on our major partners being ready as of January 1, the Government should either accept our motion or bring forward its own to provide some flexibility. Certainly we should not be locked into the January 1, 1988, date. Clearly there will be an imbalance. If the American legislation is not through then, once again our people will be treated unfairly and be at a disadvantage. It makes a lot of sense to delete the coming in force clause so that we are not locked into it for January 1, 1988—which is not too far away. It is amazing how close Christmas and New Year's is, and I hope we are away from Ottawa at that time. I hope the Government will give consideration to the amendment so at least we can have some balance between Canada and the United States in the harmonized system.

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I am pleased to speak on this amendment. The amendment talks about the coming into force of the whole Bill or the denying of this Bill coming into force. I think, therefore, that I am at liberty to speak about the whole purpose of the Bill given the intent of the clause in question.

I sympathize with what the Hon. Member has just expressed to us. I would like to support the thrust of the amendment, but let me say that the amendment would probably have been more acceptable to the Government had it said something to the effect that the actual coming into force would be on

proclamation. The House could have indicated to the Government that it wished not to proclaim this Bill until the Americans had done the same thing. Had this been so, the amendment would have stood a better chance at passing than it has in its present form because we have created a eunuch Bill which, with this amendment, will virtually have no power at all. I do sympathize with the mover of the amendment because the United States has not moved to harmonize its tariff in a similar manner to ours, but there could have been a better way to word that amendment.

Throughout the debate on this Bill, we have seen a number of amendments basically trying to curtail the possibility of the Government changing many of our customs duties without the consent or an Act of Parliament. I have concerns with going that way. I know that most of those amendments will not pass anyway, nevertheless, I have to express reservation about bogging the House down with passing minor Bills in the future because we did not give proper and sufficient power to the Minister by regulation to do what Ministers should be doing.

I will give an example, Mr. Speaker. I have a textile factory in my constituency—I have several actually—but the one I am thinking of is Texturon in Hawkesbury. The Associate Minister of Defence (Mr. Dick) knows about it. He was commenting about Texturon the other day in not such a complimentary way, but that is not what I want to talk about now, Mr. Speaker. This company which is located in my riding has applied to the Tariff Board to have the general preferential tariff on polyester textured yarn changed to the most-favoured-nation tariff. These products come in from a number of countries including Mexico, Brazil, Romania and Korea. Unfortunately, the company was not successful in its attempts at the Tariff Board, but I did write to the Minister asking the Minister to intervene in this case. I note that the Minister is actively studying the file.

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This factory in my riding is now forced to compete against factories in Mexico and elsewhere. The imports of products similar to those manufactured by this factory have increased. Over-all imports of these products have increased from 482 tonnes in 1985 to 657.3 tonnes in 1986. In the specific case of Mexico, the import of such products has increased from 122 tonnes in 1985 to 623 tonnes in 1986. There has been a dramatic increase in import of polyester textured yarns. This is having a negative effect on an important industry in my constituency.

This one factory now employs 72 people. Of course, as the Associate Minister of National Defence will know, if free trade passes, it will not employ any people because it will have to shut down. The Minister says that it deserves to shut down, but I disagree with that. I do not think it deserves to shut down because of free trade or because of any other reason.

I have written to the Minister asking him to effect some of these tariff changes. I am sure Members of Parliament have