budget, designed to provide continuing impetus to economic growth and at the same time to deal with the upward pressure on prices.

In selecting the products on which tariff reductions were made, special attention was given to food and other consumer products in short supply, or subject to rapidly rising prices, or on which tariff rates were higher than average. In drawing up this list of products and in deciding the depth of tariff cuts, care was taken to avoid introducing measures which would jeopardize Canadian production and employment. At the same time the desire was to ensure that the tariff reductions were of sufficient scope and depth to have a dampening effect on rising living costs.

The tariff reductions were introduced initially for a period of one year. Provision was made, however, to restore the tariff on goods to the original level where cases could be established that the reduced duties would result in genuine hardship.

Relatively few complaints were received as a result of the budget tariff reductions, and not all of the objections which were registered were well founded or well documented. In certain cases, where real problems were created, these were resolved by the reduction, by Order in Council, of the duties on materials and components used in the manufacture of end products which were subject to tariff reductions.

The February, 1973, tariff reductions affected trade valued at about $1.6 billion in that year. In line with the assurances given in February, 1973, it was decided that the tariff reductions should not be continued beyond February 19, 1974, on a few products including certain fresh fruits and vegetables, canned fruits and citrus fruit juices. Imports for which the former rates of duty have been restored were valued at under $200 million in 1973.

A number of the complaints which were received were less concerned about the reductions than the fact that they were made on a unilateral basis rather than in return for concessions by other countries. In this connection it was pointed out that the reductions were made for purely domestic reasons and, because they were temporary in nature, they did not in any way impair our future bargaining position.

In the budget speech of February 19, 1973, the minister stated that the tariff reductions would be thoroughly reviewed before they expired in February of this year. The task of monitoring the movement of prices affected by the commodity tax and tariff reductions was undertaken by officials of the Department of Consumer and Corporate Affairs. The monitoring of prices showed that, in general, the benefits of the tax and tariff reductions were passed on in large measure to the consumer.

The government decided that it would be useful to continue most of the tariff reductions until June 30, 1974. The tariff reductions on sugar and related products, however, are being extended until June 30, 1976. These changes, which were based on recommendations by the Tariff Board, are covered by Schedule II to the bill.

Schedules III and IV provide for removal of the duties for certain oil products. The most important products affected are gasoline, aviation fuels, light heating oils and diesel fuel. Heavy fuel oils used by industry are already free of duty under a provision which was to run out on June 30, 1974. It is proposed that this free entry be continued to the same date as that for the other petroleum products, namely, October 23, 1975.

Hon. members will be aware that crude oil imported by Canadian refiners has been free of duty for many years.

In light of the current demand and supply situation for petroleum products, such as gasoline and heating oils, there is clearly no need to maintain the duties on these products. I appreciate that, at current prices, the specific rates of customs duty which vary between one third of a cent and one cent per gallon do not represent a substantial part of the cost on a per gallon basis.

Some hon. Members: Question.

The Acting Speaker (Mrs. Morin): Is it the pleasure of the House to adopt the said motion?

Some hon. Members: Agreed.

Motion agreed to, bill read the second time and the House went into Committee thereon, Mrs. Morin in the chair.

The Assistant Deputy Chairman: Order. The house in Committee of the Whole on Bill C-27, to amend the customs tariff.

Clauses 1 to 5 inclusive agreed to.

On Schedule 1:

● (2150)

Mr. Alexander: Madam Chairman, I just want to ask one or two questions with respect to schedule 1. Recently I had a letter from a constituent who is very concerned about customs duty or tariff applied to sacred music, and I believe it was a point well taken. Some consideration should be given to the importation of such music. I was trying to find some reference to it in Schedule 1, and perhaps because of my age I cannot seem to find it, or perhaps my bifocals are not working correctly. The only thing I can see with reference to music is something about phonograph records.

I should like to know whether any consideration is being given to the importation of sacred music and whether the government is aware of the need? Is there something that would allow us to say there should be a custom duty in order to protect our own music industry? I hope the parliamentary secretary can enlighten me on this. I did send a letter because I know a great deal of concern is registered by Hamiltonians who deal with music, primarily sacred music. I wonder if the parliamentary secretary is prepared to answer or if I will have to await the official answer. I believe it is important that we show some interest in the need for sacred music.

I see the parliamentary secretary is acquiring some assistance, so I will keep on talking until he can get working on it. I believe he heard the plea I am making with regard to sacred music.

Mr. Cullen: Madam Chairman, I must apologize to the hon. member. I was endeavouring to get the information