

Excise Tax Act

worth-while effort on the part of the administration and the exemption. This is probably a new field and a widening in this regard would be commendable.

The minister of course will recall that when he and his colleagues sat on this side of the house and were free to speak frankly about these things some of his colleagues—I do not know if the minister did personally but I believe he did—advocated this and some of the rest of us who were at that time sitting on the government side were doing what some of my hon. friend's colleagues are probably doing at the present time, making representations to him about some of these matters.

Some of these drugs are extremely expensive and the list is probably not as large as it should be bearing in mind the new drugs that come on the market most of which, particularly in the initial stages, are exceedingly expensive. I myself, when assisting the minister of finance, did receive some information about the actual factory cost of some of those drugs. I was rather amazed to find that neither customs tax nor sales tax did have a particularly big relevancy in relation to the ultimate cost to the consumer. That, of course, does not come within the rules of debate when we are discussing this item here. But it is all related and I have thought that it is something that should probably deserve and receive from the officials of the departments of health and welfare, national revenue and finance very careful study. I feel that while we have customs duty on the import of some drugs and we have sales tax on some drugs that are very expensive there is still not a relationship between the actual cost in another country as compared with this country and I would hope that the minister and his officials might look at this. I myself gave it some consideration, as some of the gentlemen in front of the minister will remember, in the very recent past.

The Deputy Chairman: Is there any further discussion under this heading? Is there any discussion on the heading "coverings"?

Mr. Benidickson: This, of course, has no relationship to coverings of school desks or seats.

Mr. Fleming (Eglinton): There is no amendment involved there, Mr. Chairman.

The Deputy Chairman: Is there any discussion on the heading "diplomatic"?

Mr. Chevrier: May I ask the minister whether there is anything new in this?

Mr. Fleming (Eglinton): No, the amendments are underlined and there is no amendment under "coverings" or under "diplomatic"; there is nothing under "engines" and only

[Mr. Benidickson.]

when we reach "farm and forest" are there some further amendments introduced into the schedule.

The Deputy Chairman: Is there any discussion on the heading "engines"?

Mr. Benidickson: Not having taken advantage of the opportunity to speak on second reading on this item, except on the amendment, may I say that I would like the minister and the department to consider very carefully here the possibility of exempting such things as Delco plants for the generation of electricity from sales tax. This is, I admit again, not a new request. It was considered by the previous administration; but we have been constantly extending some of these sales tax exemptions and I notice in the budget this time we have a relief with respect to the purchase of diesel fuel oil for the generation of electricity. That is a very essential thing in many parts of our northern areas which we are endeavouring to develop and I think should have another consideration. To an extent I am abusing the privilege of the committee simply because I know it has been in the past—and I assume it is now—the policy of the officials and of the minister to review very carefully the remarks which are made at this stage of the debate by hon. members from all parties. In the past it was the practice to prepare a memorandum during budget discussions for the consideration of the budget committee when there was a particular item or request for the reconsideration of the tax structure with respect to some of these things. I assume that practice is continuing. Without prolonging the debate I would just like to have that in that category for consideration.

The Deputy Chairman: Is there any discussion on "farm and forest"?

Mr. Benidickson: What is the estimated tax loss on the exemption of cut flowers as one of the major items?

Mr. Fleming (Eglinton): As I stated in the budget speech, \$1 million.

The Deputy Chairman: Is there any discussion on "fire brick, refractories, etc."? Is there any discussion on "foodstuffs"? Is there any discussion on the goods enumerated in Customs Tariff items?

Mr. McIlraith: I wonder whether the minister would mind clarifying a point here that seems to be bothering a great many persons, namely the reference to the new tariff items in the proposed tariff that will be before the house for discussion? There is a reference here to the goods exempt, giving the new numbers, and there seems to be confusion as to how we can legislate on new items that have not yet been enacted into law. If