

sentations from those who were particularly interested; and the Department of National Revenue notified those interested in the trade of the proposed changes in the tax resolutions. I am informed that the manufacturers, who, after all, are the ones on whom the tax is imposed and who remit it to the Department of National Revenue, have, in order to protect their own position, taken appropriate credits in their monthly tax returns, or whatever it is, for any tax they may have collected. I am informed that is the case, by an official of the Department of National Revenue who is sitting before me at the moment. Of course I have not the figures in that regard. I shall inquire as to whether they could be made available; but, broadly speaking, that is the procedure which was followed. In most of these cases the tax was withdrawn before it had been paid to the department and passed on to the purchaser next in line, or so I am informed. Obviously the longer one waited to make changes, the more complicated the situation would become. I do not suppose my hon. friend wants me to repeat tonight the reasons I gave the hon. member for Muskoka-Ontario as to the broad principles which motivated our decision to remove certain articles from the proposed list.

Mr. FLEMING: I am not quarreling with the removal of those articles from the list. I do quarrel with the minister to this extent, however, that I wish he would go further and remove the rest of the articles; that is all I ask. But my question was directed toward the disposition of the moneys which have reached the hands of the department under a tax which was levied by ministerial action.

Mr. ABBOTT: The position is that manufacturers, who are the collectors of this tax, make monthly returns to the Department of National Revenue with respect to their excise tax liability. In cases where they would have remitted the tax on some pianos, let us say, to use that as an example, and then following representations it was decided that the tax was not going to be imposed, in their return for the following month they would take credit as against the gross tax liability for that month for the tax they had remitted the previous month with respect to three or four pianos, perhaps. That is the method which was followed. Or alternatively, it is pointed out to me, the manufacturer could make formal application for a refund.

Mr. FLEMING: Does that mean that the removal of the article from the list was dated back to November 17, in all cases?

Mr. ABBOTT: That is correct; in all cases. I am glad my hon. friend brought that out. It is just as though the tax never should have been collected.

Mr. THATCHER: Let us speak about the tax on sporting goods for a moment. On November 17 the minister put this tax on sporting goods, and about two months later took it off. I would like him to tell me exactly how the retailer could get that tax back to a person who bought sporting goods in the meantime. Every sale which is made does not show the name of the customer. Probably when a customer buys merchandise he tears up his sales slip, and there is no possible way in which the minister or anyone else can get the tax back to that consumer.

Mr. ABBOTT: I am informed that the retailer would apply to his wholesaler and the wholesaler to his manufacturer for a refund of that tax, and would receive it.

Mr. THATCHER: But the consumer has not the slip. He has torn it up, and it is absolutely impossible for the consumer to get the tax back, whether or not parliament passes this legislation.

Mr. ABBOTT: It is possible that in a limited number of cases the retailer will have derived a benefit. It is open to the consumer, if he sees fit, to go back to his retailer and say, "I bought a badminton bird," or whatever it was—and remember this tax did not cover all sporting goods—or "I bought a tennis racquet" or a golf club, "and I paid the tax. I want the tax back."

Mr. THATCHER: But he has not the sales slip for it.

Mr. ABBOTT: He would have to argue that out with the retailer. I say there would be relatively few cases—

Mr. THATCHER: There would be thousands and hundreds of thousands of cases.

Mr. ABBOTT: Hundreds of thousands? Nonsense.

Mr. BENTLEY: I want to follow this up, if I may.

Mr. ABBOTT: Go and see the retailer; that is my advice.

Mr. BENTLEY: All right; I am going to ask this question. A customer goes to see the retailer. I think the minister or anybody else will admit that, as the hon. member for Moose Jaw said, there will be thousands of these cases. It may be the fault of the purchasers; I am not going to argue that point