

Excise Tax Act

to the house in seeking to exempt municipalities from this tax. We have done so in cases where we can be very sure that the goods purchased are of a nature that will be used by municipalities and by municipalities alone, as far as we can see to it.

Mr. Benidickson: On that very point, I think the minister has a very good memory and I am sure he will remember that I had to tell him the very same thing not more than a couple of years ago. I explained the difficulty of dealing with 5,000 or so municipalities, and I explained, also, that certain of the provinces, whose children the municipalities are considered to be, were not exempting the municipalities from provincial taxation, even with respect to such purchases as were being exempted by the former government. But I would ask the hon. minister to have another look at this question, particularly in view of his former commitments and those of prominent members of his party. And, with regard to the most prominent of his colleagues, I refer to page 3396 of the 1956 volume of *Hansard*, when the hon. minister's leader at that time said there should be no sales tax imposed on municipalities and school boards.

And now with regard to this item, I should just like to be given some explanation with respect to the composition of the bill. Am I right in thinking that we have here a new section?

Mr. Fleming (Eglinton): Yes.

Mr. Benidickson: That in itself is not underlined. I am not trying to be unduly critical in this respect, and I have great regard, of course, for the gentlemen who look after these things, with whom I was recently associated. But I may say that when I was trying to do a little homework on this bill I found some difficulty. I find it even tonight. I take it that the minister has before him the latest consolidation of the act as we discussed it last night, the consolidation which was published in August, 1957. On page 31 of that consolidation we have the former reference to exempting municipalities from sales tax.

I want to make this observation to those who draft these bills. It is very helpful to members of parliament—and the bills are first of all for their purposes—if when there is some change in placement of an enactment a notation were to appear on the right hand side of the page to the effect that there has been a change. It would be very easy for those who have spent many weeks dealing with the material to indicate on the right hand side that there has been a change. In the resolutions, for instance, I found it

difficult to locate the change relating to structural steel versus aluminum for bridges. I know that my hon. friend has had more recent familiarity with the act than I have and I would like him to point out to me where I will find the exemption for structural steel for bridges in the consolidation.

Mr. Fleming (Eglinton): Yes, Mr. Chairman. On page 30 under the heading "Certain Building Materials" about ten lines from the bottom of the page. The item reads:

Structural steel when purchased by municipalities for the construction of bridges in highway systems.

Mr. Benidickson: I thank the minister for his courtesy. I had difficulty finding what is now the fourth item under the miscellaneous grouping under the heading "Municipalities". If there is to be a redesigning of the structure of the bill there should be on the right hand page an indication that would prove helpful to hon. members of parliament.

Mr. Fleming (Eglinton): I thank my hon. friend for his suggestion. I think he has a point that could well be kept in mind by the draftsmen of bills. It has not been the practice in the past to give notes on the right hand side of the page opposite schedules to bills. The practice has been to do so opposite the substantive provisions of the bill clause by clause but not in the case of the schedules appended to the bill. In the present case I think it is quite clear that what has been done by the draftsman is to bring about a convenient rearrangement.

Mr. Benidickson: Oh, I approve of the new section. I thought it should be drawn to our attention when we are trying to study the bill.

Mr. Fleming (Eglinton): There is no change in the provisions of the act in the respect that is mentioned, but for convenience—and I think it is commendable—the draftsmen have gathered together under a new heading "Municipalities" those items which in the case of materials purchased by municipalities for their own use and not for resale had not previously been gathered together under one heading.

Mr. Winch: Mr. Chairman, I should like to refer back to the comment made by the Minister of Finance a few moments ago on the question of the exemption from taxation of certain purchases by municipalities. First of all I wish to convey through you to the minister the appreciation of all of us for the recognition the minister has given in terms of a reduction in certain taxes paid by municipalities on their purchases but he outlined this as a principle and in my opinion did not follow through on the principle itself.