

*Excise Tax Act*

minister think under the present mood of the provincial government of Ontario that they would pay the tax?

**Mr. Fleming (Eglinton):** The answer is the same as when I answered it for the third time and it is the same when I answer it for the fourth time.

**Mr. Carter:** I would like to ask the minister if it would not be clearer if articles and materials were included and underlined so as to bring it into line with the first paragraph? The first paragraph does say "Boats bona fide purchased by fishermen for use in the fisheries, and articles and materials to be used exclusively in the manufacture, equipment or repair of such boats". But when we get down to the amendment, "articles" is left out and we only have "materials for use only in the equipment and repair of ships over ten tons net register tonnage". Off-hand I cannot think of any material which you use in equipping a boat. I can think of all kinds of articles, and I would like the minister to give me an illustration of the use of materials, if he can.

**Mr. Fleming (Eglinton):** The hon. member insists on asking about things not involved in the amendment. I have already replied as to the meaning of "materials", the word contained in the amendment. It will continue to have the same meaning as it has had in the act in years past.

**The Chairman:** Shall page 8 carry? Carried. Shall page 9 carry?

**Mr. Benidickson:** May I refer to the new item, perforated pipe for drainage purposes not exceeding four inches in inside diameter. It is a little late to request an amendment at this stage, but I would urge the minister very strongly to look at this for amendment next year, because I think our definitions are sometimes too confined and unnecessary. I think generally we could exempt a building material that was for drainage purposes, for house construction, for irrigation and for sewage and matters of that kind and have a little broader definition which would make it easier for those that deal in these materials and supply them. I think there have been representations from the Canadian Chamber of Commerce along these lines and I wonder if the department could not agree to something like that. I understand they would have some difficulty on the production side, but I think we have many precedents along this line of end purposes being the determining factor and I would hope that instead of having these amendments every year or every two years of dimensions of pipe, and so on, we might

[Mr. Benidickson.]

be a little wider in our description of the uses for which exemption would apply.

**The Chairman:** Shall page 9 carry? Carried. Shall page 10 carry? Carried. Shall page 11 carry?

**Mr. Benidickson:** On page 11, Mr. Chairman, am I perfectly correct in my understanding that in connection with protrait photographs of individuals, which is bringing about this amendment to our traditional pattern of taxation of sales in the photographic industry, no tax will be imposed on the process or the value of the process of photofinishing without some new presentation at another time to this parliament?

**Mr. Fleming (Eglinton):** I dealt with that subject very fully when we were in committee of ways and means. The hon. member will find the reference on page 4672 of *Hansard* in the second column.

**Mr. Benidickson:** In other words, I can be assured that the efforts of the officers of the Department of National Revenue will cease now. They have approached the Department of Justice and endeavoured to get a ruling on this subject. I do not say they were endeavouring to get a ruling one way or the other, but they have been wondering whether the present law did not permit them to impose a sales tax on the value of photofinishing as a production. I take it we have a definite assurance from this government that while it is in office there will not be an administrative change unless some new amendment is presented to this parliament to bring it about.

**Mr. Fleming (Eglinton):** I direct the attention of the hon. gentleman to the statement I referred to, Mr. Chairman.

Schedule agreed to.

Title agreed to.

Bill reported.

**Mr. Speaker:** When shall the bill be read the third time?

**Mr. Benidickson:** Next sitting of the house.

## ESTATE TAX ACT

**Hon. Donald M. Fleming (Minister of Finance)** moved the second reading of Bill No. C-65, to amend the Estate Tax Act.

**Mr. Benidickson:** I had hoped that perhaps we would have an introductory statement from the minister explaining the purpose of some of the amendments.

**Mr. Fleming (Eglinton):** The house is already well aware of the purpose of the amendments to this bill. The resolution was