

This telegram is signed not by fishermen but by exporters of fish. They are as follows:

A. M. Smith and Company,
H. L. Montague, Limited,
W. and C. H. Mitchell,
Farquhar and Company,
Halifax Fisheries, Limited,
Mitchell and McNeil,
Robin, Jones and Whitman, Limited.

I have proved that it is impossible to obtain this refund or rebate or whatever you call it. As soon as I saw this new schedule I got in touch with the commissioner of excise, Mr. Taylor, who referred me to section 94, to which the minister referred a few moments ago. I sent a copy of Mr. Taylor's letter to six different importers of salt in Nova Scotia, as well as a copy of the schedule, and advised them that they could obtain a refund of ninety-nine per cent of the duty paid on salt sold last year. Each importer went to the customs and was turned down. He was told: You cannot take an affidavit that the salt which you sold to the fishermen went outside of Canada. Of course the importer or the seller of the salt could not take the affidavit, with the result that they could not get the drawback, although it is a well known fact, as I said a moment ago, that ninety-nine per cent of the salt goes out on export. As I say, the importer or the business man could not take that affidavit; the customs collector knew he could not do so and did not help him in any way to get over the difficulty by saying: All right; we know this is all for export and you can send in your claim. Thus section 94 is of no use at all and for that reason we cannot act on it. I submit to the minister that in the interests of the fisheries, the four per cent sales tax should never have been imposed; in my opinion it was a mistake. I am afraid the Minister of Finance and my good friend the hon. member for Cumberland, where this concern is producing salt, purposely allowed this to be slipped in to help that concern, but it will not help the Malagash salt business one iota. If the government puts a 20 per cent sales tax and a 10 per cent excise tax on salt, I want to tell the minister seriously—and I am telling him sincerely—we could not or would not use the Malagash salt in our fisheries.

Mr. VENIOT: Although the hon. member to my right, who has just spoken, has discussed this question very fully, and although I agree with everything he has said in connection with the injustice of the imposition of a sales tax and an excise tax on salt, having lived nearly all my life among fishermen,

[Mr. Duff.]

especially those engaged in the codfish business, I know from experience it is impossible for our cod fishermen to use Malagash or, indeed, any Canadian salt and put their product on the market in such a way as to command the proper prices. Therefore our fishermen are compelled to import the salt they use. As the hon. member for Antigonish-Guysborough has said, in importing this salt they are met by a double tax, the six per cent sales tax and the three per cent excise tax. If that were the only thing that militated against our fishermen, it might be overcome or they might put up with it for a while; but when you consider the package licence, the covering licence or fee that is charged, the situation is aggravated. The hon. member for Antigonish-Guysborough gave one example; let me give a more striking one of how that covering charge affects our fishermen. For instance, it is a six per cent charge on the value of the can which contains the packed lobster. Once the lobster is placed in those tin cans, they, to the extent of a dozen or two or four dozen, go into a wooden box for transportation. I am talking now of lobster not for shipment to foreign countries but for transportation throughout Canada. That wooden box is also struck with a tax of six per cent on the value of the box which covers the containers in which the lobster is placed. Therefore you have a double tax: you have a tax against the tin can in which the lobster is placed and another against the wooden container which carries the tin can in its transportation to the market. It may be said that this was not intended, and it is because I believe it was not intended I am bringing the matter up in order that the attention of the minister and his officials may be directed to it; that they will give it the study it requires and define what is a container, what is a covering. At present there is nothing to define it; that covering tax can be applied to anything. It can be applied to the can in which the milkman brings his milk or cream to market. When that can returns from its outbound destination and goes out again the next time, under this very act another six per cent is charged on the value of that container.

Let us consider how this applies to the fishing industry and the cheap sea food that is being put up in the maritime provinces. The sardine is a cheap sea food; it sells at retail for five cents a can. The can in which it is contained, including the patent opener that must be used, costs more than the fish that is in the can, and the government are taxing that can six per cent. They are taxing not only the tin can