

Mr. BENTLEY: I wanted to ask the minister a question also arising out of his reply to the hon. member for Fraser Valley. He said that those people who had purchased those things which were on this list and who are in the business of producing consumer articles as opposed to those who are producing for service, receive them tax free.

Mr. ABBOTT: That has been, broadly speaking, the principle we have decided to follow in connection with this tax. In essence, it is intended to be a tax on consumer articles, not on producer articles.

Mr. BENTLEY: I want to follow this up. What measures are the government taking to prevent some of these people in that category, who can buy these articles tax free, from also setting up a side line on the black market? If these things are to be scarce and people are willing to go out and pay black market prices to get something they want, what is to prevent some of these people in the category mentioned, who can buy them tax free, from buying them for friends and eventually creating a black market?

Mr. ABBOTT: The articles which are referred to, I am advised, are articles which are adapted to commercial use, not to household use. That is the language of the resolution.

Mr. CRUICKSHANK: In pursuance of the question asked by the hon. member for Grey North, I think it is the duty of the minister to put this on record so that the people of Canada will know what the situation is. If a man has paid that tax, can he demand its refund?

Mr. ABBOTT: Yes; and the only man who will have paid the tax will have been the manufacturer.

Mr. CRUICKSHANK: Pardon me.

Some hon. MEMBERS: And the retailer.

The CHAIRMAN: Order.

Mr. CRUICKSHANK: Just a minute, Mr. Chairman. Again the minister has been ill advised by some of his advisers. Individuals have paid that tax, through their retailers who, I presume, paid it through their wholesaler on these items. If the minister wants that to be proven to him, I shall be glad to do so. I want the minister to put it on record that the dominion government orders those retailers or wholesalers to refund any of those taxes which have been collected.

Mr. ABBOTT: If this tax is not imposed—and I do not think for one moment that par-

liament will not approve this resolution; but suppose it were not—then anyone who has bought an article which is subject to this new tax is entitled to go back to his retailer and say, "Refund me the portion of the price which represents taxation."

Mr. THATCHER: How can he do that without a cash sales slip?

Mr. LOW: I wanted to ask two or three questions following the speech made a moment ago with regard to radios. It occurred to me to ask the minister if there is an export market for Canadian-made radios that would be sufficient to take up the saving in Canadian consumption effected by this bill, so that Canadian manufacturers of radios would not be forced out of business.

Mr. ABBOTT: I am told that there is at the present time no substantial export market for radios. There is some export market. When I say export market, I was thinking particularly of exports into the United States. We export radios to a variety of countries in other parts of the world, such as the Azores, Afghanistan—I see in looking at this list—Cuba, Guatemala, Haiti, Iran and so on. The total value of radio receivers exported in the period of the first eleven months of 1947 totalled \$1,500,000 odd, and a long list of countries was covered. Just looking at it quickly, there appear to me to be some forty or fifty different countries. But the export volume of completed radio sets is not substantial at the present time; nothing compared with the domestic consumption.

Mr. LOW: May I just finish that? Would it not be advisable for the government to assure itself that its measures under this act will not force out of business manufacturers of that type in Canada, because I think the minister admits it is a good thing to have Canadian manufacturers continue to supply the Canadian market with their own products?

Mr. ABBOTT: My information is that, notwithstanding the imposition of this proposed tax, Canadian radio manufacturers will sell every radio receiving set they have produced this year.

Mr. LOW: Just one other question and I shall be through, Mr. Chairman. The minister laid some emphasis on the slowing down of consumption in Canada through the effect of this measure which I can quite understand. But I wonder if the government has given careful attention to the alternative; that is, measures to bring production to the point where it will be possible for a great many more things to be exported beyond what