

Customs Tariff

Obviously, the Government's purpose in proposing this measure was to make things easier for the travelling public. In fact, such trips are becoming increasingly common, not necessarily among the rich and unfortunately not among the poor, but they are common among people with average incomes. People can take advantage of these exemptions without seeing them as some kind of complex problem. It used to be that when you went on a two-day trip, you would try to remember whether it was three months ago or two and a half months, and so forth. I think this is going to simplify things. A seven-day trip is a holiday, it is something you remember, and I believe it will add fairness and consistency to the new measure.

The Deputy Chairman: The Hon. Member for Papineau (Mr. Ouellet).

Mr. Ouellet: Mr. Chairman, I thank the Hon. Parliamentary Secretary to the Minister of Finance (Mr. Lanthier) for his excellent reply. I think he provided us with a sound and defensible explanation. But I should like to push him a little further in his reasoning. If it is, as he stated, in order to promote free trade, he must be aware that some countries, especially in Europe, have eliminated all these custom barriers. People travelling within countries of the European Common Market no longer have to make declarations when they return to their respective countries.

Would it be possible for his Government to consider the possibility of fully eliminating the obligation for Canadians to report their purchases when they return from abroad? I think that customs officers would still have a part to play in controlling the incoming of drugs and goods deemed unacceptable. But in the case of souvenirs, pieces of clothing, etc., things that tourists normally buy and bring back with them, could his Government consider the possibility of sparing Canadian tourists upon their return to this country the aggravation of submitting a report and being searched and auscultated by our custom officers?

• (1700)

Mr. Lanthier: I am sorry, Mr. Chairman, but let there be no misunderstanding. We are not trying to encourage free trade. I said that we were trying out a series of measures that seem to be popular throughout the world.

My hon. colleague referred to the Common Market. Heaven knows that we have not reached that point yet! We are still at the very beginning. And, as I said, it is nothing more than a little bit of toe dipping in the sea of free trade.

Also, the European countries have achieved their free trade after considerable negotiations and time. We have not reached the starting line yet. That is for the first part.

Second, the whole point of our Customs and Excise system is not to catch the person who crosses the border with \$110 or \$90 worth of goods or to find out whether he spent 48 hours or

47 and a half hours away from home. The point is to intercept certain people and goods at the border.

In this country we have a relatively simple situation, since we have only one neighbour and only one border, with the United States, so it is easy to establish rules, and of course we also have airports where people and goods can be intercepted.

In Europe, they had to compromise, because they have borders everywhere. A European country may have common borders with three or four other countries, cutting through areas where people can swim across or walk across on mountain paths. They had to cut down on all kinds of administrative formalities because they just could not cope.

However, in our case I do not think we should remove these controls. We must not go to protectionist extremes, but I think we have the right kind of controls here in Canada and we should enforce them. Of course, we want to get rid of administrative red tape. Now, if a person has nothing to declare over \$100, no declaration is necessary.

Personally, I believe that our Government's policy favours some kind of control. We are not about to open the borders. People who think that free trade would mean opening the borders must be daydreaming. I believe that free trade must be controlled. Now controls may be mitigated or they can be very elaborate.

[English]

Mr. Redway: Mr. Chairman, as I understand it, the purpose of this particular clause is to provide that someone returning to Canada after an absence of 48 hours will have a \$100 exemption. This is in addition to the existing exemption of \$300 once a year if you are out of the country for seven days. Can the Parliamentary Secretary tell me if it is possible to have a cumulative exemption? In other words, once a year, if you are out of the country for seven days, can you combine the \$300 exemption and the \$100 exemption and have a \$400 exemption once a year?

[Translation]

Mr. Lanthier: Mr. Chairman, the answer to that is a short and sweet no. These things cannot be combined. If a person wants a \$400 exemption, that person has to make four two-day trips. He has to take the trouble to make four two-day trips if he wants to get an exemption of more than \$300, and he can do so 182 times a year, theoretically speaking. However, exemptions cannot be combined. Each exemption is separate.

Mr. Lapierre: Mr. Chairman, I see that the Parliamentary Secretary is giving all kinds of explanations. I was looking at Schedule I, and I would like to ask the Parliamentary Secretary why, under item 49105-1, bolted steel tanks would enter this country duty free?

Mr. Lanthier: Could the Hon. Member please repeat the number? He said it so fast I did not quite catch it.