

This is an increase of 5 per cent.

Provided that the tax on automobiles shall apply on the total price charged for such automobiles, which price shall include all charges for accessories, optional equipment, advertising, financing, servicing, warranty, or any other charges contracted for at the time of sale, whether charged for separately or not.

Provided further that the tax shall not apply to automobiles imported under customs tariff items 702, 704, 705A, 706, 707 and 708.

I take it that, with the exception of the change in the rate the schedule is the same as the one it supersedes.

Hon. Mr. Aseltine: When does this tax become effective? Take the case of a person who, prior to the coming into force of this measure, bought an automobile but has not yet received it. Does the tax apply in a case of that kind? Does it depend on whether the purchaser has or has not paid his money?

Hon. Mr. Robertson: I am not quite sure, and I would not wish to give the house incorrect information. My impression, from my recollection of matters of this kind, is that these taxes are levied at the manufacturer's level. Once a car has left the manufacturer and has come into the hands of the dealer, the question of liability would be one as between the dealer and the purchaser.

Hon. Mr. Aseltine: I understand that. But would the tax apply if an automobile dealer, say in Ottawa, has a number of cars in his possession?

Hon. Mr. Robertson: I think not.

Hon. Mr. Aseltine: Now take the case of a person in Saskatchewan who, having ordered a car through his local dealer, and paid for it, comes east, let us say to Windsor, Ontario, to take delivery of the automobile. What position is he in? The car is still in the hands of the manufacturer, but it has been ordered and paid for. Does the purchaser have to pay the tax?

Hon. Mr. Robertson: I do not think the fact that the purchaser has come to Windsor to pick up the car changes the relationship between buyer and dealer. In effect, I assume, the situation is that the manufacturer is delivering the car to the dealer or to someone whom he designates. The governing factor would be whether the car has been received before or after the date of the minister's announcement. I may speak from personal experience. Some time ago I ordered a car of which possession was taken yesterday in Windsor. I see no great hope of relief from the extra tax.

Hon. Mr. Roebuck: There is still time to amend!

Hon. Mr. Robertson: Retroactive action might be of some benefit.

The second group includes:

2. Articles, materials or preparations of whatever composition or in whatever form, commonly or commercially known as toilet articles, preparations or cosmetics, which are intended for use or application for toilet purposes, or for use in connection with the care of the human body, including the hair, nails, eyes, teeth, or any other part or parts thereof, whether for cleansing, deodorizing, beautifying, preserving or restoring, and to include shaving soaps and shaving creams, antiseptics, bleaches, depilatories, perfumes, scents and similar preparations, fifteen per cent.

The tax, is raised from 10 per cent to 15 per cent.

3. (a) Electric appliances adapted to household use, viz. blankets; chafing dishes; coffee makers; curling irons or tongs; dish washers; food or drink mixers; food choppers and grinders; floor waxers and polishers; garbage disposal units; hair dryers; irons and ironers; juice extractors; kettles; portable humidifiers; razors and shavers; toasters of all kinds; vacuum cleaners and attachments therefor; waffle irons, fifteen per cent;

Hon. Mr. Aseltine: Is that a new tax?

Hon. Mr. Robertson: Yes.

Hon. Mr. Aseltine: The next paragraph includes firearms, which are subject to 15 per cent tax.

Hon. Mr. Robertson: That is true.

Hon. Mr. Aseltine: They were not taxed before.

Hon. Mr. Robertson: The paragraph reads:

(b) Firearms and complete parts thereof and ammunition except for military or police purposes, fifteen per cent;

Then follows:

(c) Motor cycles and all other two- or three-wheeled motor-driven vehicles including motors for attachment to bicycles but not including vehicles specially designed for carrying goods or for use by invalids, fifteen per cent;

As my honourable friend says, these are additions to the schedule.

Then there are the items:

(d) Golf clubs and golf balls, fifteen per cent;
(e) Fishing rods and fishing reels, fifteen per cent.

Hon. Mr. Aseltine: I don't like that!

Hon. Mr. Roebuck: May I ask whether that item will increase the price of the Campbell golf ball?

Hon. Mr. Robertson: There are a good many honourable senators on this side of the house, and perhaps on the other side, who are more conversant with that subject than I am, and I would be glad to have their experience and knowledge in order to answer the question of