

Customs Tariff—Excise Tax Act

pressure of increased competition will fall mainly on producers in the industrial centre of Canada. It is here that inflationary pressures are greatest."

There may be some hon. members who are wondering whether some producers have been given sufficient time to adjust to the increased competition created by this acceleration of tariff changes. I have been informed, however, that there have been only a relatively few complaints to the Department of Finance since the announcement of the acceleration of the Kennedy Round cuts in the June 3 budget statement. I have also been informed that since this announcement the General Adjustment Assistance Board has received only a few general inquiries, I think about five in number, as to what help will be available from it to assist in any adjustment that might be required as a result of the acceleration in cases where it was found that there was serious injury or threat of injury.

● (8:40 p.m.)

Next we come to the provisions for implementing three reports which have been made by the Tariff Board. These should be looked at in conjunction with Schedules A, B and C to the bill. These reports were tabled in the House of Commons on the dates shown in the explanatory notes to the bill which all hon. members have. Briefly, clause 5 and schedule A deal with the recommendations of the Tariff Board for a new schedule of tariff items for machinery, apparatus and printing plates for the printing and allied industries. Clause 6 and schedule B cover tariff recommendations with respect to precision instruments and apparatus used in such activities as engineering, surveying, prospecting, drafting and metalwork.

The next part and schedule C flow from a Tariff Board report which dealt with the concept of duty free entry of certain goods for religious, educational, scientific, literary or artistic purposes, institutions or groups, or for the benefit of afflicted or handicapped persons. The next clause of the bill contains the usual mixed group of tariff changes similar in type to those which appear in every budget. They are set out in schedule D to the bill. These changes normally arise out of studies of representations received by the department and involve amendments to existing tariff items or the introduction of new items.

I should now like to say something about the amendments to the provisions in the Customs Tariff for goods brought in by Canadian

[Mr. Gray.]

residents returning from trips abroad. These are dealt with in clauses 9 and 10 and schedules E and F. It is proposed to replace two items in the tariff with four new items. One of the present items now provides for \$25 exemption once every four months after an absence from Canada of not less than 48 hours. Under the second of the present items Canadian residents returning from points beyond the continental limits of North America after an absence of not less than 14 days may claim an additional exemption up to \$75. If use is made of this latter exemption no further claim can be made under either tariff item for the next twelve months. That is the present situation.

The main purpose of two of the new items is to facilitate the clearance of returning Canadian residents by customs. These two new items came into effect on a provisional basis as of June 4, 1969, and appear in schedule E. The first tariff item in this schedule provides for a new combined rate of 25 per cent for duties and taxes on goods valued up to \$100 which they cannot claim under an exemption other than duty free goods, alcohol and tobacco, brought in by Canadians after 48 hours absence. The second item provides for a new exemption after 48 hours absence for goods other than alcohol or tobacco valued up to \$5.

Two more substantive changes appear in schedule F. First, there will be a \$100 exemption each calendar year for Canadian residents returning from any country, including points in North America, after an absence of 12 days. Also effective January 1, 1970, the \$25 exemption after an absence of 48 hours will be available on the quarterly basis and will be completely independent of the annual exemptions I have just mentioned. These two exemptions, however, may not be combined for the same trip abroad. In conclusion let me say that the final portions of the bill are consequential to the amendments I mentioned earlier and also set out the dates on which the tariff changes are to come into effect. I would therefore ask the House to give the bill its support at this second reading stage.

Hon. J. W. Monteith (Perth): Mr. Speaker, the minister has outlined in detail the clauses of Bill C-140. He has pointed out certain technical changes. At the end of his comments he made remarks concerning the facilitating of Canadian citizens returning through customs to Canada from points abroad or from continental North America. This bill will be going to a committee of the whole House. I do not