

Customs Tariff

There are several ways in which clarification could be achieved. One would be to accept the proposal I made on November 14, 1968 to change the wording of item No. 34 from "All other agricultural implements or agricultural machinery N.O.P" to "All equipment, apparatus, machines and implements N.O.P. for agricultural use." I think this is what the members of the Tariff Board want. Then again, the position of article 23, which reads "All the foregoing for use on the farm for farm purpose only" could be changed, making it the last article in the list of items.

The third proposal I wish to make is that parliament should update the terminology of some of these items. For instance, there is a reference here to wagon boxes, which are no longer used on farms. If this were changed to "truck boxes" a useful purpose would be served. I would refer also to the use of the term "sprinkler irrigation systems". This may have been the original designation, but since that time we have become familiar with such descriptions as "flood irrigation", "ditch irrigation", and so on. If a farmer tries to bring in a motor which could be used on a sprinkler system and lets out, by inadvertence, that it is for use in connection with a flood irrigation system, the department says at once: it is taxable. This shows just how narrow these decisions can get.

I believe such changes as these would bring the entry into conformity with the intention of parliament, help keep the cost of farm produce down to a minimum, and carry out in practice a principle which has been recognized by the farmers of Canada for many years, namely, that farm machinery and equipment should enter this country free of customs duty. At any rate, this is the principle which is presumably recognized. When farmers try to take advantage of it, they find it is not.

I may have some other remarks to make later if I move amendments. However, I should like to give the parliamentary secretary an opportunity to say, if he can do so, that he will have item 23 moved so as to be the last item on the list. This will not change the revenue picture one bit but will make relations with the department more definite. This would clarify it so far as I am concerned. It will give us another opportunity to go after the Department of National Revenue officials about their interpretation. They are very cautious about this. They are very contradictory at times, depending on the article you want to bring in. At one time they will

[Mr. McIntosh.]

say, "If the item is of an active nature we will allow it in." At another time they will say, "If it is of a passive nature we will allow it in." They use both arguments against you when you try to get these items in. This is something the parliamentary secretary could do without too much disturbance to the bill or to Schedule A. So far as I am concerned it certainly would not change the revenue that the federal treasury gets.

• (5:10 p.m.)

Mr. Gray: Mr. Chairman, I would like to thank the hon. member for Swift Current-Maple Creek for his further remarks. Again he has shown how seriously he considers the matter and the problems that he feels are created by certain interpretations that are given. I think he is quite right in suggesting that the explanations I gave at the opening of the committee of the whole stage are in *Hansard*, and *Hansard* is a permanent record and he can take it with him to show the officials. In fact, if he thinks it would help I will go along with him.

Mr. McIntosh: I am thinking of the poor member seven years from now who will not know this is in *Hansard*.

Mr. Gray: I think these matters are recorded permanently in *Hansard* which is stored in various places. If necessary we could take the reference from *Hansard*, put it in a time capsule and leave clues as to where it could be found. The proposals made by the hon. member for specific changes in the tariff relate to item 40924-1 and, as we both agreed, this was formerly 409(f). Frankly I think the difficulty facing all of us, no matter what our intentions may be, is that 40924-1 does not appear in any way in this Bill C-131 which this committee of the whole is now studying. The hon. member is suggesting that we make some amendment to 40924-1 but, as I have said before and unless I am seriously mistaken, that item is not before us in any way whatever. However, I should like to reassure him—

Mr. McIntosh: Mr. Chairman, the parliamentary secretary has said that the item is not before the committee in any way whatever. Does he not admit that item 42711-1, which refers to machines and tools, is the same item as appears in 40924-1?

Mr. Gray: No, I cannot agree with my hon. friend on that point. It is quite a different matter.