

Customs Tariff

Mr. Baker: Mr. Chairman, on Clause 12, this section will come into effect on January 1, 1986. We just passed a clause in which certain sections of the Act came into effect May 24, 1985. Can I ask very simply and to the point why there is such a distinction between the dates? Was it because of the Budget date and the effectiveness of the Budget measures?

When one dates back an item such as this, it leads to a lot of problems. Perhaps the Parliamentary Secretary could supply us with the answer in writing as to why there is such a difference between the sections coming into force in Clauses 11 and 12?

The Deputy Chairman: Will the Parliamentary Secretary undertake to give the reply in writing?

[Translation]

Mr. Lanthier: Very well, we will provide that reply also in writing, you may be sure.

[English]

Clauses 12 and 13 agreed to.

The Deputy Chairman: Shall Schedule 1 carry?

[Translation]

Mr. Gauthier: Mr. Chairman, this is for my information.

In the Ways and Means Motion, there was reference to a change in the amount of goods Canadians may bring back when they go abroad. I think the Parliamentary Secretary to the Minister of Finance (Mr. Lanthier) should tell us without making a long speech, with respect to this \$100 change in goods which we will now be allowed to bring back with us each time we go abroad, whether the \$300 cumulative total is to disappear or whether it will simply be \$100 per visit for tourists or other persons travelling—

Mr. Lanthier: As I said in my statement, Mr. Chairman, one can now use a \$100 exemption for a two-day stay abroad. In theory, one could now use 182 exemptions a year, but the \$300 amount remains. It is not cumulative, of course. The \$300 amount in any year remains in force. It is not changed. It is only the \$100 amount for a 48-hour stay abroad, which was formerly allowed every three months and that now becomes unlimited, within the limit of the number of days in a year.

Mr. Gauthier: I would like to be very clear on that, because this is of interest to Canadians in general. A Canadian tourist coming back from a visit abroad is allowed to bring back one hundred Canadian dollars' worth of goods every 48 hours, without affecting the \$300 he is entitled to once a year when travelling abroad. Therefore, we would be allowed, in principle, to bring in from abroad \$300s' worth of goods and, 48 hours later, go back and return with \$100s' worth of goods again. Did I understand correctly?

Mr. Lanthier: Yes. Of course there is a difference, in that for the \$300 amount, one must be away for seven days, while for the \$100 amount one must be away for two days. Therefore, if we want to figure it out, if one goes abroad on three two-day trips, one still has the \$300 but has three trips to make. What you said is perfectly right.

Mr. Ouellet: Mr. Chairman, I have a question for the Parliamentary Secretary. Since we allow people who re-enter Canada after spending seven days abroad to bring back only for \$300 of goods, would it not be more logical to allow people to bring back a lot more once a year since, as my colleague has just said, we are about to allow someone who leaves Canada for two days to bring back for \$100 in goods? There is no limit to this allowance. Theoretically, someone could therefore go abroad every two or three days and bring back for thousands of dollars in foreign goods. If the Government is willing to make this concession to Canadian workers, and as the Government is always promoting free trade these days, it should understand that it would be appropriate to allow people who are away for seven days once a year to bring back for many hundreds of dollars in goods because what is permitted for someone who is away for only two days is not permitted for someone who is away seven days. I would like the regulations to be fair to those who travel abroad only once a year and I would like them to be allowed to bring back for a higher amount because this discriminates against those who are not that well-off. Not everyone has the opportunity or the means to travel abroad two or three times a week. It is only businessmen or people with lots of money who can travel abroad several times a year. Those who go on holidays once a year and who travel abroad, whether to the United States or to Europe, are penalized because they can only bring back for \$300 in goods. I find this unfair and I would like the Parliamentary Secretary to correct this situation.

Mr. Lanthier: That is debatable. I see here in my notes, Mr. Chairman, that the amount was adjusted in 1983 to compensate for inflation. Naturally, the amount was adjusted. However, I question the distinction made between the wealthy and the not so wealthy travellers. People who can afford to take holidays of seven days or more can naturally spend more than those who take only one-day trips. We could debate this issue, but as it was pointed out earlier, the law reflects an effort to dip one toe in what will be the great sea of free trade. In fact, I think this measure is a boon for people with modest incomes who make short trips outside the country and cannot afford to go very far. For instance, they might be going from my hon. colleague's riding or my own to Plattsburgh or Burlington. On the other hand, they should not be encouraged to do all their shopping down there. Nor should they be encouraged to go and buy a colour TV or a bedroom set, for instance, across the border.