

which fourteen days are allowed, and we are also making it a matter that the Customs department can deal with instead of making the application for a rebate go through the Treasury Board.

Mr. BUREAU: We are not making it. They generally do it through the board.

Sir HENRY DRAYTON: It would become a matter of customs administration and would be sent to the Treasury Board?

Mr. BUREAU: Yes.

Sir HENRY DRAYTON: That, I think, would be a good thing. I do not understand this question of "15 per cent of the whole quantity". How can we have a loss greater than the whole?

Mr. BUREAU: That is the law as it stands now.

Sir HENRY DRAYTON: It may be, but I was asking how that can be.

Mr. BUREAU: I did not go into the reasons for that being inserted, but it is the law as it stands now. All I wanted to do by this was to extend the period, within which the whole procedure that my hon. friend speaks about could be gone through, to fourteen days instead of three days.

Sir HENRY DRAYTON: How is it that a shipper can collect damages to an amount 15 per cent greater than the whole? Why should there be a premium on breaking crockery? Do you get \$1.15 for a dollar's worth if you break the goods?

Mr. BUREAU: No. That means that if there is only 20 per cent of a loss, the shipper will get 5 per cent. The section reads:

Such allowance or damage shall only be made and allowed for the amount of loss in excess of 15 per cent of the whole quantity damaged.

If the damage amounts to 18 per cent, the importer will be given credit for 3 per cent.

Sir HENRY DRAYTON: I understand it now. In other words, the country has the benefit of 15 per cent free breakage, so to speak.

Mr. BUREAU: Yes, and that has been the provision of the law for some time.

Sir HENRY DRAYTON: That is not what it looks like at first blush.

Mr. BUREAU: This is the existing language and I dare not touch it lest my grammar and my knowledge of English be unequal to the task.

[Sir Henry Drayton.]

Sir HENRY DRAYTON: I don't know about that.

Mr. COOTE: Why should the importer not be given some allowance if the damage amounts to, say, 14 per cent? It seems to me you are treating the importers rather harshly in giving them credit for damage only above 15 per cent. I would point out to the minister that damage up to that percentage is a very serious item in the cost of the goods to the importer.

Mr. BUREAU: As I have just explained to the ex-Minister of Finance (Sir Henry Drayton), this has been the law for years and there has been no petition nor request to the department to change it. All that we have been asked to do is to remove from the class of perishable goods, such as fruits and vegetables, such articles as brittle ware, crockery, glassware, and so on.

Mr. COOTE: Does the 15 per cent apply to perishable goods as well as to breakable articles?

Mr. BUREAU: It applies to all goods.

Resolution reported, read the second time and concurred in. Mr. Bureau thereupon moved for leave to introduce Bill No. 236 to amend the Customs Act.

Motion agreed to and bill read the first time.

Mr. BUREAU: I move that the bill be read the second time. We shall go into committee at the next sitting.

Motion agreed to and bill read the second time.

#### DEPARTMENT OF CUSTOMS AND EXCISE ACT AMENDMENT

Hon. JACQUES BUREAU (Minister of Customs) moved that the House go into committee to consider the following proposed resolution:

That it is expedient to amend The Department of Customs and Excise Act and to place the administration of The Business Profits War Tax Act, 1916, and amendments, and The Income War Tax Act, 1917, and amendments, under the Department of Customs and Excise, and to provide for the constitution of an Advisory Board to investigate and study various modes of taxation with a view to simplifying and improving the existing systems.

He said: The bill seeks to do three things. We are amending the Customs and Excise Act, Chapter 26, XI and XII George V., and we propose in the first amendment to substitute the words "deputy minister" for the word "commissioner" in order to designate the position which corresponds to that of the deputy