

*Excise*

Otherwise I can say to my colleagues from British Columbia that if they were to go to the Minister of National Revenue, he would say that the appropriate order in council has not been passed and therefore he is restricted by the definition of "municipality". All they are trying to do is see that the appropriate order in council is passed and does not take five months to get through, as is the case now.

**Mr. Turner (Ottawa-Carleton):** Mr. Chairman, I will certainly fulfil the intent of the amendment. I will talk to my colleague, the Minister of National Revenue, under whose authority the regulation comes. I think I can give that undertaking, subject to my colleague's sanction.

**Mr. Baker (Grenville-Carleton):** Mr. Chairman, before we leave clause 18 I want to put a proposition to the minister with regard to water distribution, sewerage and drainage systems which are the subject of the clause. The clause provides a refund in the event that by agreement the person who installs the systems transfers them without charge to the municipality. There is provision that this transfer must take place within two years of completion.

What I am seeking is relatively simple. I wonder whether the minister would consider changing the time period from two to three years. My reason for asking that is because of the habit of building large sewerage installations, usually at the expense of a developer, which service not only the initial development but over a longer period all development which will be ongoing; therefore, the system is considered as a whole. Because of the vicissitudes of planning, zoning and land control which are not within the competence of the Minister of Finance or the developer, the period of time might well run beyond the two-year period. There are instances of this within the areas which the Minister of Finance and I have the honour to represent.

I do not think it is the intention of the minister to in any way restrict time: I think it is his intention to give as much relief as he can to either the municipality or the developer. I think that is reasonable, particularly in view of the fact that in the event the rebate is not received, the amount of the sales tax is passed on to the purchaser of the house or the land and buildings within the subdivision. I am not going to quarrel with the theory that the minister has advanced, but in modern times I think the time is a little short and there would be a welcome change to the system if the period were altered from two years to three.

● (1650)

**Mr. Turner (Ottawa-Carleton):** If that is agreeable to the committee, Mr. Chairman, then I see no difficulty in asking my colleague, the Minister of Energy, Mines and Resources, to amend line 37 on page 9 of the bill by changing the word "two" to "three". I do not have an amendment to that effect in writing, but it is a fairly simple one and I think *Hansard* will carry it. I am sure my colleague will stand up and make that motion.

**Mr. Baker (Grenville-Carleton):** I am delighted to see that the Minister of Finance can pull the right strings.

[Mr. Lambert (Edmonton West).]

**Mr. Jones:** I should like to ask the minister why a distinction is made in clause 18 between—

**Mr. Turner (Ottawa-Carleton):** Mr. Chairman, may I interrupt the hon. member? I take it that the committee has agreed to amend line 37 of page 9 of Bill C-40 so that the appropriate word is "three" instead of "two".

**The Deputy Chairman:** Is that agreed?

**Some hon. Members:** Agreed.

**Mr. Jones:** Mr. Chairman, I was asking why a distinction is made in clause 18 between "water distribution" and "sewerage or drainage system". The clause does not refer to a water distribution system, including transmission lines and all the other items that go along with that, but it does refer to a sewerage or drainage system, which includes the entire system. Might I have an explanation of that? In many cases these days developers own the transmission system as well.

**Mr. Turner (Ottawa-Carleton):** I think the hon. member ought to read the wording again. It says "any water distribution, sewerage or drainage system".

**Mr. Jones:** The minister is missing the point entirely. There is a difference between a distribution system and a transmission system. I want to know what the differentiation is here.

**Mr. Kempling:** Don't you know what a transmission system is, John?

**Mr. Turner (Ottawa-Carleton):** Mr. Chairman, I am not yet convinced that the word "distribution" does not meet the situation, despite the efforts of my hon. friend from Halton-Wentworth to enlighten me.

**Mr. Jones:** A transmission system is part of a reservoir, and the distribution is the various feeders concerned. Whoever prepared this clause should know the difference between a transmission and a distribution system. There is a difference, and it is not being made clear in this case to the municipalities. Transmission is the trunk line; distribution is the little lines branching off.

**Mr. Turner (Ottawa-Carleton):** Mr. Chairman, I think the matter is covered. Not that my words in *Hansard* would influence the interpretation of a bill, but if we run into any problems I am sure the administration will seek a subsequent amendment. I think the wording is wide enough here.

**The Deputy Chairman:** Shall the motion to amend carry?

**Mr. Lambert (Edmonton West):** Mr. Chairman, I suggest that this stand until eight o'clock so as to get clarification from National Revenue as to whether there should be a distinction between "transmission" and "distribution". I think we are all agreed about this, and certainly the minister is, but for purposes of clear language, and so there are no legal problems for National Revenue, perhaps we should wait and all be a lot happier.