

evening that Canadian radio purchases, or, at any rate, production was still at the highest level.

Mr. ABBOTT: I do not know that; I am informed that it is.

Mr. MACDONNELL (Muskoka-Ontario): That raises a question which I think is important. Will the minister let us know just what indication there is to date as to whether the tax is having that effect? I know the minister will say that in a general way it is bound to have some effect, but I think we have a right to ask how much effect can be ascertained up to the present time.

I want to come back to what the minister said as to the main purpose of this tax, because I think we are apt to forget it. The minister said in his opening speech that the main purpose of the new excise taxes was to save United States dollar exchange. We have had nothing up to the moment to show how much dollar exchange has been saved, and I submit that that is a thing on which we should try to get whatever information is available before we take a vote on this measure.

In the first place, it seems to me the minister should tell us how much of the taxes, the figures of which he gave us earlier in the evening, were levied on United States parts. I take it from what the minister said that the only effect which this measure has, as distinct from Bill No. 3, the embargo measure, on the saving of United States exchange, is on the importation of parts, and in order to find out what the saving is on parts may we know what amount of tax has been collected on these parts since the measure came into effect; what was the amount of parts coming in before that time, and particularly what tax has been levied, so that we can in that way get at the amount which is being saved?

Mr. ABBOTT: I gave the estimated amount of tax which had been collected on radios, among other things, as the result of this proposed tax. There is no tax imposed on parts as such but on the finished radio set, on the manufacturer. For the reasons I have given earlier I cannot say what the effect of this particular section of our over-all program to conserve dollars has had, but, as I told the committee the other evening, our reserves of United States dollars at the end of February were \$527 million as against \$514 million at the end of January, and that is exclusive of the \$50,000,000 we have drawn from the export-import bank loan. I think, with due reserve—and I am essentially conservative in these estimates—the program in its over-all

aspects seems to be accomplishing the purposes we had in mind. We are not only holding the line but, instead of dropping \$70,000,000 to \$75,000,000 a month of United States exchange we were in February \$13,000,000 up. I do not attach too much importance to that. I know that inventories were built up and the pipelines were full, and I say frankly that the results so far are better than I expected. I do not know whether it will last indefinitely. I would expect perhaps to see a downward trend, nevertheless in its over-all effect the program is doing what we set out to do. I cannot tell the committee what part is due to the discouragement of consumption as a result of the proposal to impose this tax, or what part is due to prohibitions on imports, or what part is due to quotas, or what part is due to the discouragement of capital investment under schedule III. I cannot break it down that way, and I do not think anybody else can. I can only give to the committee the over-all results to date. I should like to give my hon. friend further information but I just cannot do so.

The DEPUTY CHAIRMAN: I wonder if the committee would agree to carrying the amendment tonight?

Some hon. MEMBERS: No.

Mr. KNOWLES: May I suggest on the question you have just asked, Mr. Chairman, that possibly if the minister would place on *Hansard* in consolidated form the original resolution as amended the committee might accept it.

Mr. ABBOTT: It will be available tomorrow.

Mr. KNOWLES: It ought to be on *Hansard*.

Mr. ABBOTT: It would have to be by consent of the committee. I have to move an amendment to the original resolution which I moved on December 19, but I think it would be of great convenience to the committee to have placed on *Hansard* tonight the consolidated resolution which incorporates the changes and deletions. I would be very happy to do that, because I think it would facilitate discussion.

Mr. MACDONNELL (Muskoka-Ontario): I had not finished my question. I want to read to the minister one thing he said, because I do not think he has given me his final answer. Referring to the goods excluded, he said on December 16, as reported at page 336 of *Hansard*:

The import of practically all these goods in finished form has been prohibited or placed