

Customs Tariff

All of the foregoing when of a class or kind not made in Canada, and when imported only for the manufacture of motor trucks, motor buses, electric trackless trolley buses, fire fighting vehicles, ambulances, hearses, and the chassis for same: British preferential tariff, free; most-favoured-nation tariff, 17½ per cent; general tariff, 27½ per cent.

(1) If the above articles are imported for use as original equipment for motor trucks, motor buses, electric trackless trolley buses, fire fighting vehicles, ambulances, hearses, or for chassis for same, by a manufacturer of the goods enumerated in tariff items 410a(iii), 424 and 438a, and during the year in which importation is sought, not less than forty per cent of the factory cost of production of such vehicles and chassis therefor, not including duties and taxes, is incurred in the British Commonwealth, the rates of duty under this item shall be: British preferential tariff, free; most-favoured-nation tariff, 7½ per cent; general tariff, 27½ per cent.

(2) If the above articles are for use in the repair of motor trucks, motor buses, fire fighting vehicles, ambulances, hearses and electric trackless trolley buses, or for chassis for same or for use in the manufacture of repair parts therefor, the rates of duty under this item shall be: British preferential tariff, free; most-favoured-nation tariff, 7½ per cent; general tariff, 27½ per cent.

(3) The Governor in Council may make such regulations, if any, as are deemed necessary for carrying out the provisions of this item.

Mr. Fleming (Eglinton): There is an amendment to item 438e. I would ask my colleague the Minister of Northern Affairs and National Resources to move it.

Mr. Hamilton (Qu'Appelle): I so move.

The Deputy Chairman: Shall the amendment carry?

Mr. Benidickson: Would you read the amendment, Mr. Chairman?

Mr. Fleming (Eglinton): It is in *Votes and Proceedings*. This amendment is to item 438e.

Mr. Benidickson: I am satisfied.

Amendment agreed to.

Item as amended agreed to.

Item 438f agreed to.

Mr. Benidickson: I would like to ask the minister if it is only the numbering which is new with respect to 438f?

Mr. Fleming (Eglinton): That is correct.

Items 439b, and 439e agreed to.

Customs tariff—440m. Aircraft, not including engines, under such regulations as the Minister may prescribe:

1. When of types or sizes not made in Canada: British preferential tariff, free; most-favoured-nation tariff, free; general tariff, 27½ per cent; on and after July 1, 1960: British preferential tariff, free; most-favoured-nation tariff, 15 per cent; general tariff, 27½ per cent.

2. When of types and sizes made in Canada: British preferential tariff, free; most-favoured-nation tariff, 15 per cent; general tariff, 27½ per cent.

Mr. Peters: I do not profess to know anything at all about this matter, but I would like to know if this general tariff affects the government with respect to its purchases for national defence. If, say, it has occasion to buy items under 440m or 440n, is the government exempt from this part of the tariff with respect to its purchases?

Mr. Fleming (Eglinton): No, the federal government pays the tariff duty on its imports in accordance with the provision of the statute.

Mr. Benidickson: I must confess that I do not recall the effect of this particular item. I see that the proposed change is with respect to the "on and after July 1, 1960". Is this something which is an annual extension, perhaps, subject to discretion?

Mr. Fleming (Eglinton): At the present time the tariff simply reads "1958", whereas the resolution proposes in italics "1960". It is, in other words, to extend for a period of two years the effect of the present item.

Mr. Benidickson: And the rate of course would be 15 per cent after 1958 if this resolution had not been brought forward?

Mr. Fleming (Eglinton): Yes, if we had not made the change, that would have been the effect.

Item agreed to.

Item 440n agreed to.

Customs tariff—462d. Cinematograph and motion picture cameras for use by professional motion picture producers having studios in Canada equipped for motion picture production; parts of the foregoing: British preferential tariff, free; most-favoured-nation tariff, free; general tariff, 15 per cent;

On and after July 1, 1959: British preferential tariff, free; most-favoured-nation tariff, 9 per cent; general tariff, 15 per cent.

Mr. Benidickson: Is there anything significant about the "on and after July 1, 1959", or is this similar to the other item which the minister has kindly explained?

Mr. Fleming (Eglinton): This is a new provision for effect until July 1, 1959, and it will give the government an opportunity in the next 10½ months to decide whether this duty-free entry should be extended.

Mr. Benidickson: That is possibly one of those items upon which the *Financial Post* speculated was involved in GATT trading, but of course I take the minister's word on that subject.

Mr. Fleming (Eglinton): Yes, and they were wrong.