

Adjournment Debate

ies, the question comes to mind that perhaps the rate increases in the past have not been justified. I think of Northern Telecom's profits in particular. That company reported record earnings in 1976 of \$77.1 million, up to 14.2 per cent from a year earlier. That profitability is really a direct profit for Bell Canada. It is all part of the same conglomerate, the same large corporate structure. Therefore I submit that that should be taken into account when Bell goes before CRTC pleading poverty and asking for a rate increase.

May I call it six o'clock, Mr. Speaker?

The Acting Speaker (Mr. Turner): The time provided for the consideration of private members' business has now expired.

PROCEEDINGS ON ADJOURNMENT MOTION

[English]

A motion to adjourn the House under Standing Order 40 deemed to have been moved.

CUSTOMS—EFFECT ON TOURIST TRADE OF ALLEGEDLY UNREASONABLE TAXING OF UNITED STATES CITIZENS

Mr. Stan Darling (Parry Sound-Muskoka): Mr. Speaker, on Tuesday of this week I had occasion to ask questions in the House of the Minister of Industry, Trade and Commerce (Mr. Chrétien) and the Minister of National Revenue (Miss Bégin).

We know that the deficit in the tourist trade is getting worse each year. The deficit for the first quarter of this year is \$410 million, a quarterly deficit greater than any annual deficit prior to 1975. As I mentioned, I addressed a question to the Minister of Industry, Trade and Commerce and the Minister of National Revenue. The first minister seemed to think that the main problem was that all of a sudden too many Canadians were going abroad instead of touring their own country. It may be so, but facts have been brought to my attention which seem to indicate that the main problem might be quite a different one.

In my supplementary question I asked the Minister of National Revenue why her department's excise tax officers gave the impression that they were following a policy of harassment directed against American tourists, which can only be called a witch hunt, when they were assessing duties and taxes on, for example, American groceries purchased by U.S. citizens for use in Canada, or on U.S. manufactured boats used by Americans in Canada, and on U.S. registered automobiles while in use in Canada. The minister answered that she did not know which electors I represented, that she could not deal in generalities, and that she wanted specific details. I want her to know that I represent the electors of that paradise vacation land, Parry Sound-Muskoka.

[Mr. Symes.]

● (1800)

I would also like to remind the minister that other regions of the country count greatly on the American tourist trade. I have received complaints in letters and in telephone calls. A constituent of mine who owns a fishing camp on Lake Nipissing sent me a letter telling me of a complaint she received from three American clients. They were coming to Canada with friends to go fishing for a week end. They had about \$40 worth of groceries with them which they had purchased in the United States. They were humiliated and treated in an extremely rude fashion at the border, and they had to pay \$6 duty on the \$40 worth of groceries. The tourists were angry because they were treated somewhat like smugglers.

The law permits a person to bring with him duty-free food for two days. The customs officer is the final judge on what amounts to two days' food. It is hard for me to believe that \$40 worth of groceries shared by three men could be much more than a two days' supply at today's costs. These people say they are not coming back. I do not think it was the idea of the \$6; it was the principle of the thing.

The second case concerns an American who has been coming to Canada since 1961. He lives in Florida. Six years ago he purchased a lodge in Algonquin Park. It is a very successful operation. It turns over more than a quarter of a million dollars in business each year and is a great asset to the surrounding community. Every year the owner of this lodge brings his car into Canada for the summer while he is here. He also has two trucks. He leases one in Canada, insures it in Canada, and uses it in conjunction with his business. His other vehicle he purchased outright in Canada, insures it in Canada and so on. Both these vehicles are used in conjunction with his business.

He had to go to one of the customs offices to pick up some parcels which came from the United States. He paid duty on them. The customs official noted the American licence plate on his vehicle. Nothing was said at that time, but a few days later he received a telephone call. He was told in no uncertain terms that his American car could not be used for business, not even to pick up a few parcels from a customs office or to pick up mail. He was further cautioned that he was the only one who could drive his car. His wife could not even drive it. He was told that if he dared to do anything out of line his car would be impounded.

He was given strict orders to go back to that customs office by Friday of this week, which is tomorrow. Needless to say, he was in an awful quandary about this, and I was contacted. I just telephoned him half an hour ago. He went back to that customs office. He said he was amazed at the courtesy with which he was received. A permit was given to him, and he has no problems again this year. However, this case shows that there are officious officials in customs and excise who are creating bad feelings among tourists. I am sure hon. members are going to hear a great deal about this.

Many Americans owning boats have come to Canada over the years. They have brought them to their cottages or to their resorts, as the case may be, and they have left them here. In a