

We have now heard the minister's statement and I agree largely with him. It may be important to allow for more flexibility in the participation of interested bodies and provincial governments in certain negotiations. I am referring, of course, to the personnel of negotiating teams. That is about my only reservation. I agree wholeheartedly with the minister when he suggests that the present time is opportune for the beginning of trade liberalization negotiations. As we know, there is under way a slowdown in the economies of Europe and the United States and there has been a call for a return to the sort of economic nationalism some of us saw in the 1930s—economic nationalism which, frankly, led to economic warfare and ultimately carried us into World War II.

It would be tragic indeed if the world once again drifted into the pattern of the 1930s. I hope that Canada will, through its delegation and through its government, keep up the pressure for continued negotiations under GATT—and I think I speak on behalf of all my colleagues—so that the world will be kept, shall we say, in the right frame of mind and not embrace economic nationalism of the sort which may take place in countries presently experiencing economic slowdown. Having said that, I thank the minister for his statement.

● (1640)

**Mr. Deputy Speaker:** Is the House ready for the question?

**Some hon. Members:** Question.

**Mr. Deputy Speaker:** Is it the pleasure of the House to adopt the said motion?

**Some hon. Members:** Agreed.

**Mr. Lambert (Edmonton West):** On division.

Motion agreed to and bill read the third time and passed.

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#### EXCISE TAX ACT AND EXCISE ACT

The House resumed, from Wednesday, December 11, 1974, consideration in committee of Bill C-40, to amend the Excise Tax Act and the Excise Act—Mr. Turner (Ottawa-Carleton)—Mr. Laniel in the chair.

**The Chairman:** When the committee rose on Wednesday, December 11, 1974, clause 19 was under consideration.

**Mr. Lambert (Edmonton West):** Clause 18 had been stood. I wonder whether the Minister of Finance can now advise whether we can proceed with clause 18, or does he wish to have further consideration on the particular point raised by my colleagues from British Columbia which appears in *Hansard* at pages 2176 to 2178.

**Mr. Turner (Ottawa-Carleton):** Yes, I think we can, Mr. Chairman.

On clause 18—*Refund on goods for use in water distribution, sewerage or drainage systems.*

#### Excise

**Mr. Turner (Ottawa-Carleton):** Mr. Chairman, recognizing the good sense of the observations of some members from British Columbia, and indeed some from Ontario—that is not mutually exclusive—I feel we should accommodate the concerns of hon. members by eliminating the word “incorporated” from the definition of a municipality, so that it will read:

(b) such other local authority as the governor in council may determine to be a municipality for the purposes of this act . . .

By eliminating the word “incorporated”, the problem is solved. I would ask my colleague, the Minister of Energy, Mines and Resources, to propose the appropriate amendment.

**Mr. Macdonald (Rosedale):** Mr. Chairman, the amendment is one that immediately came to my mind as well. I would now like to place it before the committee as an amendment to the bill. I move:

That Bill C-40, to amend the Excise Tax Act and the Excise Act, be amended by adding thereto immediately after clause 18 thereof the following subclause:

(a) Paragraph (b) of the definition “municipality” in subsection 2(1) of the Excise Tax Act is repealed and the following substituted therefor:

“(b) such other local authority as the governor in council may determine to be a municipality for the purposes of this act;”

**Mr. Baker (Grenville-Carleton):** Mr. Chairman, am I to assume we can still go on with consideration of clause 18? The clause was stood the other day.

**The Chairman:** The hon. member for Edmonton West suggested that if the minister was ready, we would go back to clause 18. I assume we are ready to consider clause 18. Following that, we will proceed to clause 19. Has the hon. member a contribution to make on clause 18?

**Mr. Wenman:** Mr. Chairman, I have a question. It relates to making this a matter of regulation for the lieutenant-governor in council. We have the assurance of the minister that he will proceed with this matter. When?

**Mr. Knowles (Winnipeg North Centre):** The “governor in council”.

**Mr. Turner (Ottawa-Carleton):** I did not quite catch the commitment the hon. member wants me to make.

**Mr. Wenman:** We just want assurance that this will be carried through the governor in council to regulation, and so forth; this amendment for British Columbia, for definition.

**Mr. Turner (Ottawa-Carleton):** We do not really need it. We have loosened up the definition of “municipality.” I hope the statute will take care of the problem.

**Mr. Lambert (Edmonton West):** Certainly the minister has loosened up the strict, limited definition of “municipality.” The amendment reads:

. . . such other local authority as the governor in council may determine to be a municipality for the purposes of this act . . .

Fire districts, water districts and what-have-you in British Columbia, as well as related types of unincorporated districts in Ontario, must be defined by governor in council. Therefore, there will have to be an order in council.