

*Customs Tariff*

the Canadian Chamber of Commerce. I am sure this organization has investigated this matter very thoroughly. Their members report that the Minister of National Revenue has certain privileges of appeal, and so on, and has a long time in which to exercise his discretion. But these things are not reciprocal, and the taxpayer does not get a report from the department automatically where there is a change in ruling or a change by statute. He has to go through the formal process of appealing if the department just do not see fit to recognize that they have made a mistake and that the law is new, and provide a refund.

The minister will remember receiving the Canadian Chamber of Commerce brief on this point. I refer him to page 13 of the brief presented this year to the Minister of Finance and the Minister of National Revenue. I do not see any changes here which affect the matter. I suppose the changes would come perhaps in the Customs Act rather than in the Customs Tariff.

**Mr. Fleming (Eglinton):** Mr. Chairman, the brief to which the hon. member has referred was, it is true, directed on its face to both my colleague the Minister of National Revenue and myself, but in the presentation the Canadian Chamber of Commerce directed that portion of the brief to my colleague the Minister of National Revenue, to whom it properly belongs. This is not a matter affecting the Customs Tariff; it is a matter affecting rather the Customs Act, and the proper place for any such question to be raised would be on the estimates of my colleague the Minister of National Revenue.

**Mr. Benidickson:** Well, Mr. Chairman, I am not completely satisfied about that. Everybody will recognize that we are changing the law here, and in consequence rates of duty are different. I am informed by the brief of the Canadian Chamber of Commerce that law changes somehow do not always come to the knowledge of the local customs collectors. Therefore taxpayers pay the former rate of duty, and the government does not readily make a refund without insisting that the taxpayer make a formal appeal.

The Canadian Chamber of Commerce also says that appeals should not be expensive. It says the appeal procedure should be available through a travelling customs board of appeal similar to what is available in cases of income tax. Therefore if we are going to change these customs rates I hope the Minister of Finance will give consideration to relieving the taxpayers of any unnecessary red tape in connection with getting adjustments which

are consequent upon the changes we may make now to these tariff schedules.

**Mr. Regier:** Mr. Chairman, it is a little while since this was before us last. Perhaps the minister might tell the committee how much of an over-all loss or gain in revenue these amendments are expected to produce for the treasury.

**Mr. Fleming (Eglinton):** It is expected that no substantial change will result to the treasury.

**Mr. McMillan:** Mr. Chairman, clause 1 describes man-made fibre. I know that some fibres contain some percentage of rubber. Does this clause mean that if any fraction of rubber is present the fibre would be excluded under the definition?

**Mr. Fleming (Eglinton):** The proposed definition of man-made fibre is sufficiently broad to include viscose, acetate, nylon, orlon, terylene, acrilan and similar fibres which are cellulose products or true synthetics. Polymers, the expression which is used in line 9 are substances composed of giant molecules which have been formed from union with simple molecules.

**Mr. Benidickson:** I do not recall whether this definition in this section of the bill specifically comes forward in a report of the tariff board. Frequently the tariff board, in response to a request from the Minister of Finance for investigation, does come up not only with specific recommendations for changes in rates of duty but also recommends certain changes in definition.

**Mr. Fleming (Eglinton):** The tariff board did recommend this change.

Clause agreed to.

On clause 2—*Schedule A amended.*

**Mr. Benidickson:** I take it that with respect to this clause, Mr. Chairman, you would adopt some system of going over the individual items in the schedule seriatim. Last week it was found reasonably satisfactory to take the schedule page by page with a slight pause so that members of the committee could just examine the ten or so items on the page and determine whether or not they had the necessity of inquiring about any item.

**The Chairman:** I imagine the committee would have no objection to doing that. We could do it in two ways, possibly by calling the tariff items one by one as we study clause 2, or by going page by page when we come to schedule A.