

Excise Tax Act

quite a number who do that in our district. They are made on the property and not purchased.

Mr. Fleming (Eglinton): There is no difference in that case.

Mr. Benidickson: When the minister made his budget speech on March 31 and gave notice of certain budget resolutions consequent upon his proposed tax changes he made some references. Would he indicate what change has been effected by the amendment passed by the committee of ways and means the other day in which the wording was much different from that in the resolution presented by him on budget night?

Mr. Fleming (Eglinton): The amendment which was approved in the committee of ways and means and which now is embodied in the bill accomplished the twofold purpose of clarifying the amendment and widening the exemptions.

Mr. Benidickson: What items would have been taxable under the proposal on budget night that are not now covered under the amended wording as presented to us in this schedule?

Mr. Fleming (Eglinton): The original budget resolution contained the expression "and sold with the goods". There is a detailed enumeration here as applied to coverings used with respect to a number of foods which have been made specifically exempt. This clarifying amendment puts the question beyond all doubt and accomplishes, as has already been indicated today, a widening of the exemption.

Mr. Benidickson: What articles might not be exempt that would have been exempt from taxation under the ruling of the tariff board with respect to representations by the bread industry that their containers perhaps were covered by the former legislation? What items will not be exempt now and will bear the 11 per cent tax which would not have borne the tax before amendment of the act?

Mr. Fleming (Eglinton): Some containers that are capable of repeated use might have been affected by the resolution as originally introduced.

Mr. Benidickson: Could the minister give some examples?

Mr. Fleming (Eglinton): Perhaps the hon. member might read the amendment approved in the committee of ways and means. We are not going back now to discuss the original resolution that was amended in committee of ways and means and reported to the house. The present bill is based upon the resolution as amended in the committee of ways and

means. With great respect, I think it is completely unprofitable to go back and ask what might have been the case if the resolution had not been amended in committee of ways and means. We have the amendment.

Mr. Benidickson: I do not know whether the minister said "unprofitable" or "improper" but if he said "improper" I would certainly take issue with him. I think that at any stage of the debate members of the House of Commons are entitled to get from the ministry some explanation on the basis of the technical knowledge that is available to them about the bases for changes that they propose in legislation. This is one instance and I thought that the minister was perhaps not advocating this change in a haughty way. I thought he had perhaps discussed the matter with his officials and knew just which trades and articles of trade might be affected. I thought he would condescend to give that information to the committee.

Mr. Herridge: Is it not correct to say that the minister introduced the amendment exempting containers that would be used over and over again as a result of representations on the part of opposition members?

Mr. Fleming (Eglinton): No, Mr. Chairman. The amendment was introduced as a result of representations we had had from some industries and the further study of the language that had been employed in the resolution as originally introduced.

The Chairman: Shall page 3 carry? Carried. Shall page 4 carry? Carried. Shall page 5 carry? Carried.

Mr. Bell (Carleton): Mr. Chairman, may I draw to the attention of the committee and particularly to the attention of the hon. member for Kenora-Rainy River an error of which I was inadvertently guilty in the committee of ways and means. I refer to *Hansard* of June 8, page 4674. At that time the hon. member for Kenora-Rainy River asked if the resolution would drop the restrictive words, "whose pelts have commercial value", and to that I gave the answer "yes".

I have to say that it was originally intended that these words would be dropped when the various exemptions in the schedule for feeds and feed supplements for livestock and fur-bearing animals were consolidated. However, it was apparently thought by the draftsman that it would not be proper to drop these words without a specific provision in the resolution itself.

I am advised, however, that the presence of these words in the bill in fact imposes no restriction on the exemption. The only fur-bearing animals one can think of whose pelts