

pistols and the cheap prices. Why are they not shut out and a limit and exception allowed by this excise tax act for police purposes?

Many of the items on which the excise tax of 25 per cent is imposed are no longer luxuries but now necessities. You could buy a refrigerator for \$125 a few years ago. The cost is now double, and on top of this there is this 25 per cent excise tax, so that refrigerators are impossible to secure. I think the government is making a very serious mistake in imposing this tax in view of the great development there has been in electric power. True, a lot of those household labour-saving devices have been sold out by a raid on them over the past two years, and they are and were hard to get, but with further power development there will be a great scarcity of them for years, with this imposition of a 25 per cent excise tax.

Mr. MacNICOL: The minister in his reply to the hon. member for Lake Centre commenced by saying that the reason he had imposed the excise tax and the other taxes was that our reserves of United States dollars were diminishing. That was a very good reason perhaps for making some move, but I ask myself, why did the government during the past year, when our reserves in the United States were rapidly diminishing from over \$1 billion to approximately \$500 million, not take measures to conserve our United States exchange? During 1946, and I suppose we imported more in 1947, we imported approximately \$125 million worth of United States coal. Just a year ago an Alberta coal company were advertising extensively in the Toronto papers and, I presume, other papers that their coal was just as good as anthracite coal imported from the United States. I went to see it myself. I took a hammer with me and tried to break up the coal. They gave it the trade name of Canthracite. I found it a very hard coal which burned well and gave wonderful results. All that company wanted was, I believe, some assistance in having a railway run from somewhere near High River to their mines in the foothills of the Rocky mountains, and I ask myself, why did the government not make some effort to encourage the use of anthracite coal mined in Canada and save some of the \$125 million which we spend on bringing in United States coal?

During his remarks the minister said that we are perhaps saving some United States dollars through the excise tax on refrigerators and other articles of that description, some of which use steel. I looked up some figures and I found that in 1946 we imported \$491

million worth of iron and its products. As a businessman, if I had been in the government a year ago I would have made some effort to produce much more iron in Canada and roll it into steel here and thus save more United States dollars.

I am going to close with this. Last year we imported some \$100 million to \$150 million worth of petroleum and its products. How much more we could produce in Canada I do not know, but at Norman Wells there are fifty or more oil wells not being used at all. Perhaps it would mean a pipeline to bring it down to railhead if it could not come down by tank barges, and it could. I just ask myself, has the government made the strongest effort it could during the last year on these three items alone to avoid the necessity of Canadians sending dollars out of Canada to the United States? Had we produced more iron and steel in Canada, it would have saved our United States dollars in that connection. Had we produced more oil in Canada, we would have saved United States dollars there, and had we just used our heads and used Canadian coal of which we have, I believe, one-fifth of the world's resources, we would have saved United States dollars. I saw the new Alberta coal, Canthracite; I saw it burning. Had we assisted whoever controls the company—I do not know who controls it or if anyone controls it—to bring out Canthracite coal, we would have saved a lot more United States dollars. As a businessman, I like to look at the thing in that way. My hon. friends, the member for Lake Centre, the member for Kindersley and other members dealt with the constitutional end of the question in a splendid manner. From the businessman's point of view I would take another tack altogether. I would try to produce in Canada and dig out of the ground in Canada that which we require and thereby save good United States dollars.

Mr. THATCHER: I should like to ask the minister two or three brief questions. In the debate a moment ago he said that if parliament by some chance should not pass these bills or approve these taxes everybody would be entitled to a refund. My question is this. How exactly would the department refund to the consumer? I presume they collect the tax from the manufacturer who passes it on to the wholesaler who passes it on to the retailer, and then the retailer collects from the consumer. For the past few months I suppose every store in Canada has been collecting these proposed taxes and has been giving cash slips, but cash slips without any