

*Special War Revenue Act*

done, but I do not wish it to be understood that I give any undertaking in that respect. I do not think I can add anything to what I have already said except this. My hon. friend speaks about phonograph records; they are subject to the sales tax, the only exemption made being those used for educational purposes.

Mr. DUFF: The minister says he cannot exempt molasses because it is used for a great many purposes other than domestic consumption. But the same thing applies to flour; flour also is used in the manufacture of candy. Flour is exempt from the sales tax and if the minister is not going to exempt molasses for the reason he has given, then I suggest he should not exempt flour. I will leave the matter with him. I have made my plea as strongly as possible on behalf of the poor people of this country who are going to be called upon to pay 2 cents a pound on their sugar. They will have to use more molasses and I do think that they should be given some consideration. While I see the force of the minister's argument, that molasses is used for purposes other than domestic consumption, it seems to me that molasses when used by people for their tea or coffee should be exempt. I know that it is used in alcohol; I understand that you can make rum from molasses if you know how; and I do not object to the tax being imposed when the molasses is used for making candy. I agree that candy is a luxury in these times and is already taxed, but the ordinary householder is the person I am thinking of—the fishermen in the county of Richmond and in other parts of Canada as well as the lumbermen working for twenty dollars a month. They use molasses in their tea and I think that the officials of the department could devise some means whereby this very necessary commodity might be placed on the list of exemptions when used for certain purposes. In line 10 of schedule III reference is made to salt, which is exempt when manufactured or produced in Canada. We had some controversy over this last year, and perhaps the minister will say something about it. On page 13 reference is also made to salt—"Salt for use of the sea or gulf fisheries." That is exempt.

Mr. RHODES: Yes.

Mr. DUFF: Why is it necessary to specify it in the other item? Why not simply say salt and leave out the words "when manufactured or produced in Canada?" The words "for use of the sea or gulf fisheries" should also be omitted. There is no necessity for the

[Mr. Rhodes.]

exemption to appear in both places when apparently the item is altogether free. As the minister knows, of course, I am in favour of abolishing the tax on salt.

Mr. RHODES: The explanation is that there are other forms of salt imported which are not used in the sea and gulf fisheries, and they are subject to the tax.

Mr. BRADETTE: The minister is right when he says that molasses is used in the manufacture of various articles, but he must bear in mind that it is graded. There is only one grade of molasses fit for human consumption, namely, the Barbados variety, which comes in in one hundred gallon puncheons or in other large containers—usually it comes in in one hundred gallon puncheons. The other grade of molasses is not fit for human food. It may be used in the manufacture of alcohol and other things and I think the department has power to distinguish between these grades and to tax accordingly. As my hon. friend (Mr. Duff) has said, molasses is used extensively in the mining and lumbering camps, and is a staple with most people in the province of Quebec. The minister will find that the per capita consumption of molasses is greater in that province than anywhere else in Canada. It ought to be a very simple matter for the department to ascertain just what is fit for human consumption and what is not, because there are only two grades known to the trade. Certainly I would make it as easy as possible for the people to obtain molasses used in the home.

Mr. NEILL: The minister says that he will consider this item, and I should be glad if at the same time he would give his attention to a minor aspect of it not touched upon by the hon. member for Antigonish-Guysborough. I refer to cheap molasses used for cattle feed.

Mr. RHODES: That is exempt.

Mr. NEILL: Nowadays, when dairying is so much in the red, it is necessary to economize at every turn, and in British Columbia they have adopted a system of supplementing the more expensive feeds by the use of screenings, which must be made palatable by the addition of molasses. The lower grades of grain and hay, off colour, can also be made palatable in this way. The molasses used for this purpose is of a low grade that could not be used either in the manufacture of candy or for domestic purposes. I know that the minister has been approached by different dairy bodies, the dairymen's association of British Columbia, for one, and I would ask