
Budget Papers

Supplementary Information and
Notices of Ways and Means Motions
on the Budget

Tabled in the House of Commons
by the Honourable Marc Lalonde
Minister of Finance

April 19, 1983



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Special Recovery Program

Special Recovery Program

This program will provide about \$4.6 billion of investment support. It will accelerate the recovery of the economy, while improving the country's capital stock to increase competitiveness and enhance prospects for longer term growth. Public capital projects valued at \$2.2 billion will be put in place over the next four years under the Special Recovery Capital Projects program. More than 100 projects that will contribute to economic growth and development in all regions of the country have been selected for immediate implementation.

In addition, \$2.4 billion of support for private investment projects is being provided over the next four years through six Special Recovery Program elements:

- Liberalization of the rules governing the ability to claim the Investment Tax Credit is being proposed as a permanent change to assist private sector investment. These measures will provide more than \$1.1 billion of support.
- The scope of the Investment Tax Credit will also be permanently broadened to apply to heavy equipment used in the construction industry, providing about \$125 million of support.
- A Special Recovery Refundable Investment Tax Credit will refund a portion of the existing investment tax credit to companies who otherwise would not have been able to claim the credit. This will direct \$400 million to increasing business cash flow and lowering immediate investment costs.
- A Special Recovery Share-Purchase Tax Credit, valued at \$240 million, will reduce the cost of new equity issued before 1987 for firms undertaking investments after the budget.
- A Special Recovery Investment Fund of \$300 million will be established to provide additional support to private investment projects of national, regional or sectoral significance.
- A Special Recovery Export Financing Fund of \$180 million will be established to support Canadian exports financed by the Export Development Corporation.

The structure of the Special Recovery Program, and estimated costs, are shown in Table 1.

The \$4.6 billion provided to this program over the next four years includes some \$700 million in spending previously planned for the next four years on projects which are now being accelerated and "fast-tracked" through to completion. New funds committed to the Special Recovery Program amount to about \$3.9 billion. These costs will be recovered through a Special Recovery Tax, which will be introduced October 1, 1984 and expire on December 31, 1988.

Table 1

Special Recovery Program

	Fiscal years				Total
	1983-84	1984-85	1985-86	1986-87	
(millions of dollars)					
Costs: Expenditures and tax incentives					
Special Recovery Capital Projects					
Gross cost	625	885	490	200	2,200
Already funded	165	175	150	200	690
Net new funding	460	710	340	—	1,510
Remove limits and extend carryovers for investment tax credit	175	270	325	375	1,145
Extend investment tax credit to heavy construction equipment	20	30	35	40	125
Special Recovery Refundable Investment Tax Credit	80	115	125	80	400
Special Recovery Share-Purchase Tax Credit	25	60	75	80	240
Special Recovery Investment Fund	100	200	—	—	300
Special Recovery Export Financing Fund	50	50	50	30	180
Total costs - including gross costs of capital projects	1,075	1,610	1,100	805	4,590
Total costs - net of capital projects costs already funded	910	1,435	950	605	3,900
Financing					
Special Recovery Tax ⁽¹⁾	—	300	900	1,000	2,200

⁽¹⁾ The Special Recovery Tax will continue to December 31, 1988, by which time cumulative revenues will have approximately offset the net cost of the Special Recovery Program temporary measures and the costs of the continuing measures over the first four years of operation.

Special Recovery Capital Projects

The Special Recovery Capital Projects initiative will commit some \$2.2 billion over the next four years to public sector investments essential to supporting stronger economic performance by the private sector. This is some \$1.5 billion more than previously planned; most of this additional spending represents an acceleration of projects originally planned for later in the decade. More than half of the total spending under this program will occur within the next two years.

The program will help ensure that Canada has the public capital needed to meet the competitive challenges of the coming years. It will also provide immediate economic and employment opportunities throughout Canada. Key economic sectors will be strengthened, and there will be an early increase in demand for labour and supplies. More modern and efficient public capital facilities will enhance private sector productivity and competitiveness.

More than 100 projects, including construction, development and procurement initiatives, will be undertaken by a number of federal departments and agencies. They include major investments in the country's transportation facilities, in new and expanded research and training facilities, and in capital assets required to support and improve the development and management of the country's natural resources. In addition, there will be further development of selected federal lands and buildings where this will lever significant levels of associated private sector investment and of tourism infrastructure. The program will also include the procurement of marine equipment, as well as of equipment which will provide supply opportunities to Canada's high-technology industries.

Table 2 provides an overview of the sectoral distribution of these investments in terms of total funding.

Table 2

**Special Recovery Capital Projects:
Sectoral Distribution of Investment**

	(millions of dollars)
Transportation facilities	650
Research and training facilities	290
High technology procurement	180
Vessel procurement	630
Resource development	170
Land and tourism development	220
Other investments	60
Total	2,200

To ensure that this major national effort gets underway immediately and that projects are effectively implemented, a new temporary Special Recovery Capital Projects Board has been created to ensure that government agencies involved move with all possible speed on this program. The Board's principal function is to assist sponsoring departments and agencies to "fast-track" the implementation of their capital projects on time and on budget. Projects will be physically underway within six months of approval and at least 60 per cent completed within the first two years of the program. A key role of the new Board will be to identify and mobilize the private sector skills and resources necessary to deal with this large and rapid increase in federal capital construction and procurement.

The Minister of State for Economic Development has been given over-all responsibility for the Special Recovery Capital Projects and for the Special Recovery Capital Projects Board.

Measures Affecting the Investment Tax Credit

As part of the Special Recovery Program, the budget proposes a number of temporary and permanent changes to the Investment Tax Credit to support investment during the recovery and over the medium term.

Enhanced Use of the Investment Tax Credit by Businesses

The ability of firms to make use of their investment tax credits earned on eligible capital expenditures incurred after budget day is to be enhanced in a number of ways.

The Investment Tax Credit is now earned at the general rate of 7 per cent of investments in equipment and structures used in manufacturing, mining, oil and gas, logging, farming and fishing. Higher credit rates apply in particular areas: 10 per cent in DREE-designated areas, 20 per cent in Atlantic Canada and the Gaspé, and 50 per cent for certain manufacturing investments in special DREE regions. The 7-per-cent tax credit also applies to certain transportation equipment and the budget proposes to extend this credit rate to heavy construction equipment. Investment tax credits also apply to current and capital expenditures on R&D at a general rate of 10 per cent, with rates of 20 per cent for R&D in the Atlantic and Gaspé regions and 25 per cent for R&D undertaken by small business corporations.

The Investment Tax Credit is deductible from federal tax otherwise payable. Previously, the Investment Tax Credit earned in a year could only be claimed to the extent of \$15,000 plus one-half of federal tax in excess of \$15,000, and unused credits could be carried forward for five years subject to the same limits. The budget proposes that, for investments after April 19, 1983, taxpayers will be able to use their investment tax credit to reduce, without limitation, their federal tax payable. The previous limitations will continue to apply to investment tax credits earned up to and including April 19, 1983. The pre-budget credits may thus be used to reduce tax payable to the fullest extent possible under the current rules. Any remaining federal tax may be reduced further by the credits available under the new rules.

In addition, it is proposed to enhance the ability to carry over unclaimed investment tax credits earned in a year to reduce federal tax in other years. Investment tax credits earned after April 19, 1983 which exceed federal tax otherwise payable, will be carried back to reduce federal tax in previous years. Previously, no carryback of unclaimed credits was allowed. This measure will be phased in over two years. Credits earned in the 1983 tax year will be carried back two years to 1981, while for 1984 and later years a full three-year carryback will apply. As well, the previous five-year carryforward will be extended to seven years for credits earned after April 19, 1983.

Construction Equipment

The budget proposes to broaden the scope of the Investment Tax Credit to cover prescribed investment after April 19, 1983 in new heavy construction equipment. Such equipment will be eligible for the 7-per-cent general rate of Investment Tax Credit. Qualified investments will include equipment such as power-operated earth moving equipment, excavating equipment and equipment for laying, placing or compacting earth, concrete, rock or asphalt. These forms of equipment are now described in Class 22 of the capital cost allowance schedule. Certain other heavy equipment such as cranes and pile drivers will also qualify.

Special Recovery Refundable Investment Tax Credit

The budget proposes a further important change to the federal Investment Tax Credit to apply over the next three years to accelerate private sector investment and thus strengthen the recovery. This measure will further enhance the ability of corporations to obtain more immediate benefits from the investment tax credits now earned on new investment, and thus will make the Investment Tax Credit more effective.

A portion of the Investment Tax Credit earned on investments made after April 19, 1983 and before May 1, 1986 will be refunded directly in cash to taxpayers who could not otherwise fully use their credit to reduce their federal tax. For small business corporations, and for farmers and other unincorporated businesses, the refund will be 40 per cent of the unused investment tax credit earned in a year. For other businesses the refundable portion will be 20 per cent of unused investment credits. The thrust of the measure is to accelerate companies' obtaining benefits from the Investment Tax Credit which would otherwise only be available later when the credit was carried forward to reduce a company's tax in later years.

The measure will be of particular importance to start-up firms. Typically, they will not generate sufficient profits in the early years of their operation to be able to claim their investment tax credits fully. Now, the Special Recovery Refundable Investment Tax Credit will provide them with additional tax support during the early, and often crucial, years of their development. Start-up firms will also typically qualify for the higher 40 per cent refund rate for small businesses. As well, during the early period of the recovery, established firms may find that their profits have not yet recovered sufficiently to absorb losses for tax purposes which are being carried forward from previous years. As a result, many businesses in that position would otherwise not be able to obtain any immediate benefits from tax credits earned on new investments. The Special Recovery Refundable Investment Tax Credit, by refunding a portion of the credit to them in cash in the year they invest, will improve their cash flow and lower the cost of their investment.

Special Recovery Share-Purchase Tax Credit

The Special Recovery Share-Purchase Tax Credit will assist corporations in raising equity to finance new investment projects. The measure will facilitate the financing of investment during the recovery and will assist corporations undertaking new investment in attracting the equity capital they need to strengthen their balance sheets. It will also broaden the ability of such corporations to obtain the benefit of the investment tax credit.

Essentially, the measure will operate by permitting corporations to use tax credits earned on new investment to attract purchasers of new common equity issued by the company between July 1, 1983 and the end of 1986. Both private and public corporations can issue equity under the proposal.

Under the measure, corporations will be allowed to issue shares which will entitle the first purchaser to a tax credit of up to 25 per cent of the issue price paid. Share purchase tax credits claimed by share purchasers will reduce the amount of the investment tax credit available to the corporation to reduce its tax. Only investment tax credits earned by the corporation after April 19, 1983 will be eligible to be transferred

to purchasers of new equity. Depending on the amount of equity the investing corporation needs to raise to finance its investments, and on the investment tax credits it expects to earn, a corporation may find it desirable to issue equity with a share-purchase credit of less than 25 cents per dollar of equity raised. This will be permitted under the proposal. As well, the measure will be sufficiently flexible to allow corporations to issue qualifying equity during the next three years in advance of undertaking investments. This feature of the measure will be of particular importance to corporations who wish to issue equity in the coming months to finance larger projects that involve investment expenditures over a number of years.

The measure will reduce the costs of new equity to investors and will thus make equity investments more attractive. Investors will be able to use the 25 per cent Share-Purchase Tax Credit to reduce their federal tax. Individual as well as corporate investors will qualify for the share credit. As well, in order to provide broad access to the share-purchase credit, certain tax-exempt entities such as pension plans, which would otherwise not be able to make use of the credit, will have the share credit refunded to them in cash. The credit will reduce the tax cost of the shares for the purpose of computing subsequent capital gains and losses. This measure, together with the Indexed Share Investment Plan, will provide important support for equity financing during the recovery.

Special Recovery Investment Fund

To strengthen private investment in the early stages of the recovery, the government is committing \$300 million over the next two years to the Special Recovery Investment Fund. The allocation includes \$100 million for 1983-84 and \$200 million for 1984-85. The fund will be managed by the Minister of Industry, Trade and Commerce and Regional Economic Expansion. It will enable the Minister to deploy financial resources across the full range of his department's programs with the speed and flexibility needed to bring onstream early in the recovery major private investment projects with special national, regional or sectoral importance.

Special Recovery Export Financing Fund

Competition for export markets has heightened markedly in the period of recession. There is thus a need to ensure that the government is positioned to continue to give strong and timely support to competitive Canadian exporters in search of market opportunities. With about 30 per cent of Canada's GNP and more than two million jobs dependent on trade, an improved trade performance will be an important element in the attainment of our objective of fostering a strong and sustained economic recovery.

The export financing facilities of the Export Development Corporation (EDC) are of critical importance in enabling competitive Canadian exporters to secure foreign contracts. For the past several years, the government has annually increased the amount of resources allocated to the regular export financing programs of the EDC and also has provided the corporation with additional allocations as required to realize trade opportunities of strategic importance to Canada. In this way, the financial arrangements made directly by the corporation in support of Canadian exports have grown from an amount of about \$3.5 billion in 1980 to approximately \$4.6 billion in 1982.

The budget calls for the establishment of a Special Recovery Export Financing Fund of \$180 million to enable the EDC aggressively to seek out export opportunities that it might not otherwise be able to pursue because of funding constraints. This fund can be drawn on only with the consent of the Minister of Finance when it is apparent that the corporation requires funding beyond its regular programs to support the efforts of Canadian exporters to win important contracts. The size of the fund will be reviewed from time to time.

The budget also provides for an additional \$20 million to be allocated to the Program for Export Market Development over the next four years. This program is particularly geared to encourage small- and medium-sized businesses that have not exported previously to begin export marketing, and assist established exporters to expand their activities into new markets.

Special Recovery Tax

To help finance the costs of the Special Recovery Program, the rates of federal sales tax will be increased by one percentage point for the period October 1, 1984 to December 31, 1988. The new rates will be 6 per cent on construction materials and equipment for buildings, 13 per cent on alcoholic beverages and tobacco products and 10 per cent on other taxable goods. The delay in the coming into force of this increase is to avoid impeding the pace of the economic recovery now in progress.

Housing

With the recent decline in mortgage interest rates and with support from a variety of federal and provincial government programs, the housing sector is showing clear signs of renewed strength. To support this recovery, the budget is proposing changes in the tax provisions for the Registered Home Ownership Savings Plan (RHOSP). These changes will assist individuals eligible to contribute to a RHOSP in purchasing newly constructed homes. They will also encourage Canadians to use accumulated savings in these plans for the purchase of home furnishings. The changes are described below.

In addition, the government is announcing a series of expanded housing measures which will provide further support to job creation in the construction industry through increased expenditures on home purchases, home renovations, residential rehabilitation, social housing and Indian housing. These programs have been very successful, are labour-intensive, and use materials primarily made in Canada. These new initiatives are outlined below.

Registered Home Ownership Savings Plan

To assist eligible home buyers to acquire newly constructed homes and to accelerate the use of accumulated RHOSP savings, two changes are proposed to the RHOSP.

i) Home Purchases

Eligible individuals acquiring a newly constructed home after April 19, 1983 and before December 31, 1984 will be able to claim an additional deduction in computing their income equal to \$10,000 minus the total of all tax-deductible RHOSP contributions previously made by them. Thus, an individual who has contributed \$3,000 to a RHOSP in previous years will be eligible to claim an additional RHOSP deduction of \$7,000 on the purchase of a new home within the specified period. An individual who has made no contributions in the past and is otherwise eligible in the current year for a RHOSP can obtain the maximum deduction of \$10,000. This provision, in effect, allows individuals to "top up" to the lifetime maximum deduction limit of \$10,000 for RHOSP contributions immediately. In these circumstances, the proceeds from the RHOSP must be used to acquire a new home and any associated qualifying furnishings. For this purpose, a new home means a housing unit in Canada that was not used for any purpose other than display before it was acquired by the individual.

This top-up provision will be available only to individuals who are otherwise currently eligible to make a tax-deductible contribution to a RHOSP. They generally include individuals who do not now own a home. In the case of married couples or other joint purchasers, only one person will be permitted to make use of the top-up feature.

Where a dwelling is eligible for the \$3,000 grant from the Government of Canada under the Canadian Home Ownership Stimulation Plan (CHOSP), the purchase will be eligible for the CHOSP grant or the RHOSP top-up, but not both.

Individuals must complete a written offer to purchase the home before December 31, 1984, with the date of closing of the purchase and occupancy no later than February 28, 1985. Homes for which a purchase agreement was entered into prior to April 20, 1983 will be eligible for the measure if the offer to purchase was signed prior to that date, provided the date of closing was not before that date.

ii) Home Furnishings

To provide additional stimulus to the economy, individuals will be permitted to withdraw all or part of their accumulated savings in RHOSPs free of tax for the purchase of new home furnishings and appliances in 1983, even though they do not purchase a new home. They will not be required to close the plan for such withdrawals, and withdrawals will not affect their eligibility to make future tax-deductible contributions to the plan. However, they will not be allowed to claim any RHOSP deduction for 1983 in respect of contributions to the plan after April 19, 1983 if they choose to make use of this option.

Qualifying new furnishings must generally be purchased between April 19 and December 31, 1983. However, goods purchased on or before April 19, 1983 but delivered after this date will also be eligible. Goods purchased before December 31, 1983 must be delivered by February 29, 1984 in order to be eligible. This measure will stimulate consumer expenditures on durable goods.

Qualifying furnishings and appliances will include the following when purchased new:

- 1) furniture for use in the home,
- 2) the following appliances for use in the home:
 - (a) refrigerators and freezers
 - (b) clothes washers and dryers
 - (c) dishwashers
 - (d) stoves and ovens
 - (e) vacuum cleaners, floor polishers, rug shampooers,
- 3) curtains, drapes, blinds and interior window shutters, and
- 4) rugs and carpets, including underpadding.

Qualifying purchases will not include musical instruments, home entertainment equipment such as games tables, video games, computers, televisions and stereos, clocks, outdoor furniture, humidifiers, dehumidifiers, air cleaners and conditioners, listed personal property, appliances for outdoor use and appliances costing less than \$100 each.

Taxpayers will be required to include sales receipts for qualifying purchases with their 1983 tax returns. Any RHOSP withdrawals in excess of qualifying purchases will be included in income for tax purposes in that year.

Other Initiatives Relating to Housing

Canada Home Renovation Plan

The Canada Home Renovation Plan was introduced in March 1982 primarily as a job stimulation initiative, and provides financial assistance to homeowners for a wide range of improvements and repairs. The plan is targeted to areas of the country experiencing high unemployment, and funds are allocated on a regional basis. Under this program, a homeowner can receive assistance equivalent to 30 per cent of the costs of renovations undertaken. The maximum assistance is \$3,000. At least one-third of the total renovation costs must be spent on contracted labour. Qualification for the program is also dependent upon household income, with the maximum assistance being available to households earning \$30,000 or less. The assistance is reduced at the rate of 5 per cent of income above \$30,000, with eligibility for assistance being ended at an income level of \$48,000.

During the past year, the program's existing budget of \$115 million has been entirely committed. An additional maximum expenditure of \$120 million is being provided which should allow the extension of the program to March 31, 1984.

Residential Rehabilitation Assistance Program

An additional \$40 million is being provided for the Residential Rehabilitation Assistance Program (RRAP), \$10 million in 1983-84 and \$30 million for next year. Prior to the budget, \$155 million had been allocated for 1983-84.

This program encourages the repair and rehabilitation of substandard housing. RRAP assistance is available for both owner-occupied and rental housing in designated urban and rural areas. In 1982, RRAP loans assisted in the rehabilitation of some 38,000 housing units. More than half the RRAP commitments were made to recipients of benefits under the Rural and Native Housing Program. The rest were made to homeowners, owners of rental properties, and to non-profit corporations in centres of population of more than 2,500 persons.

Eligible homeowners receive direct loans from Canada Mortgage and Housing Corporation of up to \$10,000, with up to \$5,000 forgiven, depending on family income. Maximum forgiveness is available for families earning \$13,000 or less. Landlords may be eligible for a forgivable loan of up to \$3,500 per unit and are expected to obtain additional financing from private sources.

Social Housing

The government recognizes the special need for housing for low-income households and has received many representations from the provinces, municipalities and other groups about the non-profit and co-operative housing programs. The government has therefore decided to finance an additional 2,500 social housing units in 1983-84 in order to maintain the base annual allocation at a level of 25,000 units.

Indian Housing

In recognition of the need for improved housing and living conditions on Indian reserves, the budget is allocating an additional \$40 million for on-reserve housing. The existing on-reserve program provides \$73 million annually, plus a recently

approved increase of \$22 million to upgrade housing standards to meet the National Building Code and for increased subsidies to those bands in greatest need. With the additional \$40 million being made available, some 4,000 new housing units and 3,400 renovations now will be undertaken on Indian reserves in 1983-84.

Canadian Home Ownership Stimulation Plan

A further \$30 million is being allocated to the Canadian Home Ownership Stimulation Plan (CHOSP). This program, which was introduced in the June 1982 budget, has provided grants of \$3,000 to eligible individuals towards the purchase of homes. To date, approximately 200,000 home purchasers have received grants under this program, at an estimated cost of \$600 million.

The current allocation is expected to be fully committed later this month. The additional maximum expenditure of \$30 million should allow the program to continue close to the end of May.

Direct Support for Employment

An additional \$710 million is being allocated for new and expanded programs of direct support for employment over the next two fiscal years: \$440 million to be spent in 1983-84 and the remaining \$270 million in the following year.

This additional funding comes on top of a 1983-84 allocation for direct job creation which was already \$441 million larger than the 1982-83 level. The total for the current year, which had risen to \$1,044 million from \$603 million in 1982-83, will now be increased to \$1,484 million.

New Employment Expansion and Development (NEED) Program

The initial \$500 million allocation for this program, announced in the October 27, 1982 economic statement, is being increased by \$280 million of which \$180 million represents new funds — \$120 million this year and \$60 million next year. The goal of the program is to create jobs in the private, public and voluntary sectors for those who face financial difficulty due to prolonged unemployment.

Special Employment Initiatives Program

An additional \$150 million over two years — \$100 million of it in the current year — is being provided to this program for increased spending on local employment-intensive projects under existing government construction programs. This will double the initial \$150 million allocation for this program, which was announced in the June 1982 budget.

UI Job Creation

This program, under Section 38 of the Unemployment Insurance Act, enables laid-off workers to continue receiving benefits while participating voluntarily in productive activities of value to the general community. This program was first used experimentally in 1979-80 and was reactivated in 1982. Authorized spending will be increased by \$100 million over two years.

Special Youth Initiatives

To help young people acquire work experience and ease the transition from school to the work force, an additional \$280 million over two years is being provided through new and existing programs. An additional \$60 million has been provided for an expansion of the Canada Student Loan Plan.

Summer Canada

This program creates career-related summer jobs for students by supporting projects sponsored by local non-profit organizations and federal government departments and agencies. An additional \$70 million was announced recently by the federal government beyond the \$100 million already allocated for summer student employment in 1983. The 1983 program will support the creation of approximately 70,000 jobs this coming summer.

Youth Internships and Job Corps

The Youth Internship program is a new program aimed at easing the transition from school to employment by providing wage subsidies to employers throughout Canada who hire young people. It will include assistance to work-study programs, particularly for young people who have left school early or require occupational training. The Youth Job Corps provides more specialized assistance to those young people having particular difficulty becoming established in the labour market. Temporary employment opportunities, personal and career assessment, counselling, training and other support services will be available. A total of \$95 million will be available to fund these programs over two years.

Extended Youth Training and Employment

The Department of National Defence will enroll approximately 5,000 young people in the Reserve Component of the Canadian Forces and employ them in the regular force for a period of 10 months to a year. The program will emphasize personal development and the ability to function as members of an organized team. General military training will promote physical fitness and leadership, while trades training will provide participants with technical skills which will be of benefit on their return to the civilian work force. To fund this new program, \$75 million will be provided.

Katimavik

This is a national development program for young people in volunteer community services. Sponsored by the Secretary of State and operated by a non-profit corporation named OPCAN, the program provides training and experience, assists the personal development of participants and provides young Canadians with opportunities to acquire a greater understanding of their country. Funding for this program will be increased by \$40 million over two years, adding a further 4,000 participants over two years.

Table 3

**New Initiatives and Current Allocations
for Direct Employment Creation**

	1982-83	1983-84
	(millions of dollars)	
Current Allocations		
New Employment Expansion and Development Program (NEED)	30	420
Canada Community Development Program	189	160
Summer Canada	120	100
UI Job Creation (Section 38)	59	104
Special Employment Initiatives	50	100
Local Employment Assistance Program (LEAP)	67	74
Program for the Employment Disadvantaged	52	61
Other	36	25
Subtotal		1,044
New initiatives		440
Total	603	1,484

Technology, Research and Development

The budget announces four initiatives to support Canadian technology, research and development (R&D).

First, the government is proposing the establishment of a national centre for productivity and employment growth and will be consulting with labour and business representatives to appoint a founding committee. The committee will be asked to recommend a name, mandate and structure within three months.

Second, the Special Recovery Capital Projects program contains major new technology-related investments. Research and training facilities critical to mastering new technologies will receive accelerated funding totalling \$270 million. In addition, there will be \$150 million of accelerated procurement of high-technology products.

Third, over the next two years the government is committing \$100 million to technology policy initiatives. This will fund priority thrusts across a wide range of technological challenges and opportunities that will enhance Canada's competitiveness and productivity. Further details will be announced by the Minister of State for Science and Technology.

Fourth, the budget puts forward proposals, in the form of a paper for consultation, to enhance the ability of firms to benefit from R&D tax incentives, to make the incentives simpler and to improve their effectiveness. The discussion paper contains the details of the proposal. The review of incentives has benefitted from discussions with firms performing R&D.

The paper concludes that Canada's tax incentives for R&D compare favourably with those in other countries, but that measures are desirable to increase the ability of firms to make use of the incentives and to provide avenues for R&D performers to use the incentives to attract outside financing.

The paper contains two proposals that respond to these issues. It proposes to replace the current 50-per-cent deduction for *incremental* R&D with a 10-percentage point increase in the tax credit applying to *all* R&D. As a result, the base rate of credit for R&D will be doubled from 10 to 20 per cent, and small businesses will be eligible for a tax credit of 35 per cent for their R&D. These increased credits will be eligible for the extended carryovers and temporary Special Recovery Refundable Investment Tax Credits proposed in the budget. This change will simplify the tax rules and provide greater certainty to R&D performers as to the ongoing level of assistance they will receive.

The budget also proposes a flexible mechanism to allow R&D companies to transfer or "flow out" the value of R&D tax incentives to investors in the form of a 50-per-cent tax credit. This measure will be of particular importance to smaller companies who wish to attract outside investors to help finance their growth. The discussion paper calls for comments by July 1, 1983, with a view to early implementation of the proposals.

Training and Human Resources

An additional \$155 million is being provided this year and next for human resource development programs which seek to ensure that Canadians have the skills needed to take advantage of employment opportunities that will contribute to economic growth during the 1980s. This additional funding will reinforce job training efforts directed towards key occupations.

The new National Training Act, which was enacted in August 1982, provides the basic framework for skilled human resources development. Under the Act, \$1.2 billion has already been budgeted for 1983-84 to provide modern training facilities, to stimulate training in occupations where shortages of skilled workers are of national concern, and to provide a system to plan and project future occupational needs.

New training agreements have been negotiated and signed with all provinces, and the changes to the training program reflected in the new Act are in the process of being implemented.

Canada Student Loans Program

An additional \$60 million is being provided this year and next to make the Canada Student Loans Program more responsive to the needs of today's post-secondary students. This will raise federal direct support for Canadian students to \$141 million this year. Over 185,000 students will benefit from this program. The proposed changes to the Canada Student Loans Act, which were announced recently by the Secretary of State, will improve loan availability to include part-time students, increase the weekly student loan limits to \$100 from the current level of \$56.25 to take into account current living costs, and ease repayment conditions for a period of up to 18 months for those having difficulty obtaining employment upon graduation.

Federal Business Development Bank

The operating mandate of the Federal Business Development Bank (FBDB) will be expanded to give it a broader role in supporting Canadian small businesses across the full range of their financial and management support needs. The FBDB's business and information services will be extended. Term lending activity will continue as the backbone of its financial services. However, a new investment banking capability will be added to permit the FBDB to deal with the equity needs and other financial requirements of promising small companies.

Special Farm Financial Assistance

Over the next year, the government will extend a further \$100 million in loans to farmers in financial distress under this program, administered by the Farm Credit Corporation (FCC), bringing to \$150 million the amount available in 1983-84. Eligible recipients will be entitled to interest rate rebates of 4 percentage points for the first two years of their loans. This extension will bring to approximately \$350 million the total amount of special loan funding made available to farmers since the Special Farm Financial Assistance Program was first announced in the November 1981 budget.

The special loans will normally be used for the consolidation of existing debts, but in some circumstances they may be used for investment purposes (e.g., completion of a farm building) necessary to ensure financial recovery. While eligibility will extend beyond the FCC's normal borrowers (small, beginning and young farmers), the normal FCC loan limits will apply — \$350,000 for individuals and \$600,000 for partnerships.

Tax Measures

Tax Measures

Table 4
Federal Revenue Impact of Budget Tax Changes

Item	Effective date	Taxation years	
		1983	1984
(millions of dollars)			
Major Measures Affecting Individuals			
Increase the rate of the employment expense deduction	1983 tax year	- 130	- 135
Repeal the \$100 standard deduction	1984 tax year	—	80
Modify the federal tax reduction	1984 tax year	—	265
Modify RHOSP	Withdrawals after budget night	- 50	- 75
Indexed Security Investment Plan	Oct. 1, 1983	small revenue reduction ⁽¹⁾	
Extend carryback of capital losses	1984 tax year	*	*
Introduce 80 per cent overseas employment tax credit	1984 tax year	*	*
Double the child care expense deduction limits	1983 tax year	- 50	- 55
Maintain current level of the exemption for children under 18	1984 tax year	—	35
Increase the child tax credit from \$326 to \$343	1983 tax year	- 85	- 90
Maintain 1982 level of income threshold for the child tax credit and change in the definition of family income	1983 tax year	125	235
Sales and Excise Tax Measures			
Introduce telecommunication programming services tax	July 1, 1983	20	50
Special recovery tax	Oct. 1, 1984 to Dec. 31, 1988	—	70
Air transportation tax	June 1, 1983	*	*
Other sales and excise tax changes	Sales after budget night	*	*
Major Measures Affecting Business			
Allow extended carryovers of business and capital losses	1983 tax year	- 305	- 225
Remove limits on claiming of investment tax credit and extend carryovers	Investments after budget night	- 190	- 280

Table 4 (Continued)
Federal Revenue Impact of Budget Tax Changes

Item	Effective date	Taxation years	
		1983	1984
(millions of dollars)			
Special recovery refundable investment tax credit	Investments after April 19, 1983 and before May 1, 1986	- 115	- 120
Special recovery share-purchase tax credit	Equity issued after June 30, 1983 and before 1987	- 50	- 70
Extend 7 per cent investment tax credit to heavy construction equipment	Investments after budget night	- 20	- 30
Proposals for changes in R&D tax incentives	Fall 1983 ⁽²⁾	—	- 150
Deduct enhanced oil recovery expenditures from PGRT	Investments after December 31, 1982	- 20	- 25
Suspend IORT for one year	June 1, 1983 to May 31, 1984	- 190	- 35
Extend deduction of earned depletion for mining exploration	Expenditures after budget night	- 15	- 20
Other Tax Measures			
Repeal aviation turbine fuel tax provisions	Sales after April 30, 1983	- 15	- 25
Repeal transportation fuel recovery charge on marine fuel	Sales after April 30, 1983	- 25	- 65
Increase tourist exemption and other tariff changes	After budget night ⁽³⁾	- 5	- 10
Canadian Ownership Special Charge ⁽⁴⁾	Continuing at current level	220	965

Note: Most of these income tax measures affect provincial revenues. Assuming that all of the provinces make the necessary accommodating changes, the impact of the measures will be to reduce provincial revenues by some \$140 million and \$90 million in the 1983 and 1984 tax years respectively for individuals, and by \$60 million and \$30 million for the same two taxation years at the corporate level. These revenue losses will be partly offset by higher transfer payments by the federal government under the Established Programs Financing Arrangements.

* Nominal change in revenues.

(1) The revenue cost of the ISIP is small in 1983 and 1984 because the reduction in taxable capital gains due to inflation indexing in these years is expected to be offset by the deemed realization of capital gains upon transfer into an ISIP of existing shareholdings of individuals. Under a mature system, the federal revenue cost of the plan is estimated to be \$300 million a year.

(2) The exact implementation date will depend on the outcome of the consultative process. Transition rules will apply to both the proposal to modify R&D tax incentives that companies may claim and to the proposed new R&D financing mechanism. These rules are described in the preface to the paper.

(3) The increase in the tourist exemption applies immediately while other changes in tariffs are effective on dates set out in the Notices of Ways and Means Motion.

(4) The values in this table for this measure reflects liabilities on a calendar year accrual basis.

Financial Strength of the Private Sector

Indexed Security Investment Plan

The budget proposes to introduce the Indexed Security Investment Plan (ISIP) effective October 1, 1983. The plan will have the effect of eliminating the tax on the inflationary portion of capital gains on publicly traded common shares of Canadian companies, and will result in a significant reduction in tax on capital gains on listed common shares. The experience of the past 20 years in the movement of stock prices suggests that the effective rate of tax on income from share investments could be reduced by over one-half if the investments are made through an ISIP. The plan will encourage individual Canadians to invest a greater proportion of their savings in equities and will assist Canadian corporations to reduce their reliance on debt financing.

The plan was originally suggested in the budget of June 28, 1982 and was subsequently referred to an advisory committee of private sector representatives. The committee supported the basic objectives of the plan and recommended that it be introduced.

The draft legislation and the accompanying explanatory notes released with the budget provide full details of the mechanics of the plan.

Loss Carryovers

The budget proposes measures to enhance the ability of businesses and investors to carry over losses in one year to reduce tax in other years. These changes will support business operations and investment in a number of ways. They will provide increased cash flow to businesses in the early phase of the recovery and thus enhance their ability to contribute to it. Both during the recovery and over the medium term these measures will provide increased certainty to firms that they can benefit more effectively from tax losses that they sustain. This will be of particular importance to firms incurring start-up losses and to firms in cyclical industries. Lastly, they will provide a better opportunity to obtain immediate tax relief through deducting capital losses against other capital gains or against other income and thus reduce the risks faced by investors.

Non-Capital Losses

The time period for carrying back and carrying forward non-capital losses, to reduce taxable income of past and future years, will be extended. Non-capital losses are typically losses arising from business operations. Currently, non-capital losses arising in a year may be carried back one year or forward five years to reduce tax. It is proposed to extend the loss carryback period to three years, improving cash flow and thus helping business take advantage of and contribute to the recovery. The carryforward period for non-capital losses also will be extended, to seven years.

For small business corporations and unincorporated businesses the three-year carryback will be available immediately for losses incurred in the 1983 taxation year. The extended carryback period will be phased in for other corporations. For them, non-capital losses occurring in taxation years ending in 1983 may be carried back two years. A three-year carryback will be allowed in 1984 and subsequent taxation years.

Farming and Fishing Losses

The budget proposes changes to enhance the ability of all farmers and fishermen to utilize losses incurred in one year to reduce tax in other years. The changes will be of particular benefit to taxpayers starting up a farming or fishing business. Such start-ups will now have a longer period of time to become profitable without losing the ability to deduct losses incurred in the initial years of operation.

Farming and fishing losses will have a three-year carryback and a 10-year carryforward period compared to the one-year carryback and five-year carryforward that now applies generally to all business losses. The carryover period for restricted farm losses will be similarly expanded.

For farmers and fishermen whose farming and fishing activities are carried on directly or in a small business corporation, the three-year carryback period will be applicable immediately for taxation years ending after 1982. In other cases, the new rules will be phased in with a two-year carryback for 1983 farming losses and a full three-year carryback starting with the 1984 tax year.

Net Capital Losses

The current one-year carryback applicable to net capital losses is to be increased to three years.

Currently, allowable capital losses (one-half of capital losses) may be deducted against taxable capital gains realized in the year. Individual taxpayers may also deduct up to \$2,000 of allowable capital losses from income from other sources in the year. Unused allowable capital losses may currently be carried back one year and forward indefinitely to be offset against taxable capital gains and, in the case of individuals, against up to \$2,000 of other income. The ability of individuals to deduct up to \$2,000 of allowable capital losses against other income also will be extended back for three years.

The new system for net capital losses is to be phased in. Such losses incurred in the 1983 taxation year will continue to be allowed a one-year carryback and those incurred in the 1984 taxation year will qualify for a two-year carryback. The full three-year carryback will come into effect for losses incurred in the 1985 taxation year.

Capital Gains Rollover on Farm Holding Corporation Shares

The budget will broaden the application of the existing provision in the Income Tax Act that allows a deferral of tax on capital gains when shares of a family farm corporation are transferred by a taxpayer to his child. This deferral of tax will be extended to apply to the transfer from parent to child of shares of a holding corporation, where all or substantially all of the holding corporation's property is shares or debt obligations of farm corporations involving the same family.

Personal and Other Income Taxes

Child Benefit System

Through the Family Allowance program, the child tax credit, the child tax exemption, and the child care expense deduction, the federal government provides a comprehensive system of child benefits. The budget proposes several changes to this system of benefits in order to better target the benefits to families that need them most.

Child Care Expense Deduction

Single parents and working mothers can currently deduct receipted child care expenses of up to \$1,000 per child (to a maximum \$4,000) incurred in respect of children aged 14 and under. The budget proposes to double these limits from \$1,000 to \$2,000 per child subject to an overall maximum of \$8,000 effective for 1983.

A further change to the child care expense deduction is proposed in response to a ruling by the Canadian Human Rights Tribunal that the measure discriminates in favour of women. The budget proposes to remove this discrimination and will require the spouse with the lower income to claim the deduction. In cases where the lower-income spouse is infirm, in an institution, or registered as a full-time student in a designated educational institution, the higher-income spouse will be permitted to claim a portion of the deduction.

Child Tax Credit

The temporary increase of \$50 in the child tax credit which was announced in the June 28, 1982 budget raised the level of the 1982 credit from \$293 to \$343. The budget proposes to extend the credit for 1983 at \$343. Otherwise, under existing legislation, the 1983 credit would drop to \$326. In subsequent years, full indexation will be applied to the base of \$343.

The income threshold, above which the child tax credit is reduced by 5 cents for every additional dollar of family income, will be held at its 1982 level of \$26,330 for 1983 and subsequent taxation years. For a family with two children, child tax credit benefits for 1983 will continue to be paid up to a family income level of \$40,000.

In addition, to ensure a better targetted application of the child tax credit, the definition of family income for purposes of calculating the credit claimed for a child will be amended to include the incomes of both parents of the child where they live together, and the income of a parent and any other individual who claims a tax exemption in respect of the child. Currently, family income is defined to include only the incomes of married parents.

Tax Exemption for Dependent Children

The tax exemption for children and other dependants under 18 years of age will be held at its current level of \$710 for 1984 and subsequent taxation years.

Standard Deduction

Currently, all individual taxpayers are allowed to claim a standard deduction of \$100 in lieu of itemized deductions for charitable donations and medical expenses. Representatives of voluntary organizations have expressed concern that this deduction reduces the tax incentive for charitable giving since the deduction is not directly related to actual amounts given. The budget proposal to remove the \$100 standard deduction for 1984 and subsequent taxation years responds to this concern. Taxpayers will still be eligible to deduct their receipted charitable donations and medical expenses subject to the general rules currently in force.

Employment Expense Deduction

Currently, employees are allowed an employment expense deduction of 3 per cent of employment income with a maximum deduction of \$500. To benefit lower-income employees, the budget proposes to raise the rate of this deduction from 3 to 20 per cent. All individuals with employment income of less than \$16,667 will find their taxes reduced as a result of this measure. Those with employment income in excess of \$16,667 will not be affected by this change and will continue to be eligible for the maximum deduction. This change will benefit about 4 million employees in 1983.

Modifications to the Federal Tax Reduction

Individual taxpayers are currently eligible for a federal tax reduction of \$200. This tax reduction was introduced in 1973 at the rate of 5 per cent of federal income tax otherwise payable with a minimum of \$100 and a maximum of \$500, in order to provide fiscal stimulus to the economy at that time. It is not an integral part of the basic structure of the personal income tax system and has been modified from time to time in response to changing economic circumstances. It does not affect provincial revenues.

As part of the deficit-reduction plan over the medium term, the budget proposes modifications to this federal tax reduction to take effect in later years. The federal tax reduction will remain at its current level of \$200 for 1983 and 1984, but will be reduced to \$100 in 1985 and to \$50 for 1986 and subsequent years. In addition, starting in 1984 it will be phased out for higher income individuals, with the federal tax reduction diminished by 10 per cent of basic federal tax in excess of \$6,000. For married taxpayers with two children, claiming standard exemptions and deductions, this change will affect taxpayers earning in excess of approximately \$39,000 in 1984.

Income From Overseas Employment

The budget proposes to replace the current overseas employment deduction with an 80-per-cent tax credit in order to improve the international competitive position of Canadian companies undertaking work outside Canada on specified business activities. This will put Canadians working abroad in a tax position comparable to that provided by other countries. Current tax law provides a deduction of 50 per cent of net overseas employment income, up to a maximum deduction of \$50,000, to an

employee working abroad for six consecutive months or longer on construction, installation, engineering, agriculture and other resource exploration and development projects. Effective from the 1984 taxation year, this deduction will be replaced with the new 80-per-cent credit. The credit will apply to the Canadian tax otherwise payable on up to \$100,000 of qualifying overseas employment income.

Table 5
**Federal and Provincial Tax Savings from Indexing of
 Personal Exemptions and Tax-Bracket Limits
 for Typical Taxpayers, 1983 and 1984**

Earned Income (dollars)	1983 Tax change		1984 Tax change	
	(dollars)	(percentage change)	(dollars)	(percentage change)
Single taxpayer — no dependants				
7,500	-66	-17.8	-58	-17.5
10,000	-72	-7.3	-63	-6.7
15,000	-80	-3.5	-74	-3.3
20,000	-92	-2.5	-84	-2.3
25,000	-146	-2.7	-128	-2.4
30,000	-185	-2.6	-165	-2.3
50,000	-340	-2.2	-298	-1.9
75,000	-540	-2.0	-475	-1.7
100,000	-540	-1.4	-475	-1.2
Married taxpayer — two dependants under age 18				
7,500	0	*	0	*
10,000	-39	*	-19	*
15,000	-144	-38.8	-108	-51.7
20,000	-158	-9.2	-121	-7.9
25,000	-205	-6.4	-134	-4.5
30,000	-274	-5.4	-186	-3.9
50,000	-459	-3.3	-400	-2.9
75,000	-675	-2.6	-560	-2.2
100,000	-675	-1.8	-560	-1.5

* The tax otherwise payable at these income levels is negative.

Notes:

1. Tax savings include those arising from indexing of the basic personal exemption, marital exemption, the exemption for children (in 1983 only) and the tax bracket limits. Any additional benefits from indexing of the child tax credit are not taken into account.
2. Taxpayers are assumed to be under age 65, to receive earned income, and to claim standard exemptions and deductions. The provincial tax is calculated at the average provincial rate of 47 per cent of federal basic tax. As rates of provincial tax vary from province to province, taxpayers in some provinces will experience tax savings that differ from those given above. No provision is made in the calculations for any provincial tax credits or surcharges.

Table 6
**Federal and Provincial Tax Changes for Typical Taxpayers
in 1983 and 1984 as a Result of Budget Measures**

Earned Income (dollars)	1983 Tax change		1984 Tax change	
	(dollars)	(percentage change)	(dollars)	(percentage change)
Single Taxpayer — no dependants				
7,500	-69	- 18.5	-44	- 13.9
10,000	-52	- 5.4	-26	- 2.9
15,000	- 14	-0.6	14	0.7
20,000	—	—	29	0.8
25,000	—	—	33	0.7
30,000	—	—	36	0.5
50,000	—	—	245	1.6
75,000	—	—	250	0.9
100,000	—	—	250	0.6
Married taxpayer — two dependants under 18				
7,500	-34	*	-36	*
10,000	-49	*	-37	*
15,000	-47	- 17.1	- 6	- 5.6
20,000	-34	- 2.1	8	0.6
25,000	-34	- 1.1	11	0.4
30,000	116**	2.5	169	3.8
50,000	—	—	376	2.9
75,000	—	—	481	2.0
100,000	—	—	481	1.3

* The tax otherwise payable in these brackets is negative.

** The impact at this income level is due to maintaining the threshold income level for the child tax credit at \$26,330. Typical taxpayers with lower incomes shown in the table are not affected by this change. Typical taxpayers with incomes of \$40,000 or above in 1983 are also not affected as they were not receiving child tax credit benefits.

Note: Tax measures taken into account in preparing this table include:

- (1) increase in the employment expense deduction from 3 per cent to 20 per cent of income, maximum \$500, effective from 1983;
- (2) increase in the child tax credit from \$326 to \$343 in 1983;
- (3) maintain the level of the child tax credit income threshold at \$26,330 for 1983 and subsequent years;
- (4) maintain the level of the child tax exemption at \$710 for 1984 and subsequent years;
- (5) eliminate the \$100 standard deduction, effective from 1984; and
- (6) phase out the federal tax reduction for taxpayers with federal basic tax in excess of \$6,000, effective from 1984.

Benefits of the doubling of the child care expense deduction are not taken into account in the table as they vary significantly among taxpayers.

Taxpayers are assumed to be under age 65, to receive earned income, and to claim standard exemptions and deductions.

The provincial tax is calculated at the average provincial rate of 47 per cent of federal basic tax.

Energy and Resource Taxes

Incremental Oil Revenue Tax

The budget contains two relieving provisions with respect to the taxes on oil and gas revenues. First, the provisions that suspended the incremental oil revenue tax (IORT) on conventional oil from June 1, 1982 to May 31, 1983 will be extended a further year to May 31, 1984.

Petroleum and Gas Revenue Tax

Second, the budget proposes tax relief to encourage the recovery of conventional light and heavy crude oil through tertiary recovery projects. The Petroleum and Gas Revenue Tax (PGRT) on production revenue from the project's reservoir will not become payable until the eligible capital costs of the project have been recovered by the participants. Details of the measure, which will be effected by changes in the law and regulations, are set out below.

Effectively, the tax relief will be achieved by a deduction of eligible capital costs from the production revenue from the reservoir. Only tertiary recovery projects receiving reasonable levels of governmental royalty relief will be eligible for this treatment. Eligible capital costs will be prescribed by regulation and will include expenses normally eligible for earned depletion that are related to the drilling of wells required for the project, and oil and gas well equipment used in the project. Rules for recapturing the deduction will be introduced with respect to the disposition of project equipment or the recovery of drilling expenditures. The tax deduction will apply to eligible expenditures made after December 31, 1982 and will be available to reduce production revenue earned after that date. The resource allowance and the small producers' PGRT exemption will be determined on the basis of the petroleum and gas revenues as reduced by these capital investments.

Depletion on Mine Exploration Expenditures

The availability of the depletion deduction is being enhanced in order to encourage increased investment in mining exploration. This proposal will help the mining industry attract exploration financing and will be of particular benefit to junior mining companies. Currently, exploration expenses related to the search for mining properties earn depletion at a rate of \$1 for every \$3 of eligible expenditure. However, the earned depletion can be deducted only from resource profits. It is proposed that for eligible exploration expenses incurred after April 19, 1983 the earned depletion will be deductible from any income source. The deduction for earned depletion will be limited to 25 per cent of a taxpayer's income.

The new provision will allow taxpayers whose main income source is not resource-related to use the depletion allowance earned on their mining exploration expenses.

Marine and Aviation Fuel

At present, the Transportation Fuel Compensation Recovery Charge applies to all marine bunker fuel exported from Canada. This charge is being terminated effective May 1, 1983.

Similarly, the special income tax provisions relating to sales of aviation turbine fuel used on international flights will be discontinued for sales and purchases on and after that date. These provisions require additional amounts to be included in the income of the supplier.

The measures are being ended because of the narrowing differential between domestic and international prices of these fuels.

Canadian Ownership Special Charge

The introduction of a Canadian Ownership Special Charge to be levied on domestically used petroleum, natural gas and gas liquids was announced on October 28, 1980 as part of the National Energy Program. Proceeds from the charge are credited to the Canadian Ownership Account, which was also introduced under the National Energy Program, to increase Canadian public ownership in the oil and gas industry. The Energy Administration Act provides that disbursements from the account are subject to a negative or positive resolution from Parliament.

The Canadian Ownership Special Charge was implemented on May 1, 1981 and has been levied since that date at a rate of \$7.25 per cubic metre (\$1.15 per barrel) on petroleum and petroleum products and \$0.14 per gigajoule (\$0.15 per mcf) on natural gas. The impact of the charge on, for instance, gasoline retail prices at the pump is less than one cent per litre.

Revenues collected by the special charge in 1981-82 totalled \$786 million. To date, these revenues have been used solely for funding the acquisition of Petrofina S.A. by Petro-Canada. However, the government has also committed itself to setting aside \$500 million from the account to finance a possible contribution to the proposed refinancing of Dome Petroleum. Revenues from the special charge are expected to be free of current claims (whether from Petrofina or from the Dome refinancing package) after November 1983.

The ownership charge has already made a sizeable contribution to increasing public ownership in the oil and gas industry. The government remains strongly committed to the objective of oil self-sufficiency through raising Canadian ownership of oil and gas resources by increasing exploration and development of new reserves. It is the government's intention to maintain the charge at its current level and use the revenues in support of this objective.

Commodity Taxes

Air Transportation Tax

Currently, the Air Transportation Tax applies to each ticket purchased. Thus, when a journey involves more than one ticket, a second application of the tax occurs. The proposed amendment will eliminate the duplication of the tax for single journeys requiring more than one ticket.

A technical change is also proposed with respect to the application of tax on charter flights to clarify that, in the case of multiple flights by the same chartered aircraft, the tax is calculated separately in respect of each flight.

Other Commodity Tax Changes

The budget proposes a number of technical changes which are intended to clarify federal sales tax legislation.

Certain types of transportation equipment are currently exempt from tax. It is proposed to modify the legislation to ensure that the benefits of the exemption are restricted to motor vehicles designed primarily for the carriage of freight.

The budget proposes changes to the exemptions for equipment for the production of goods to exclude portable generators and stand-by generators acquired by operators of commercial buildings.

In order to qualify for exemption from the federal sales tax, newspapers and magazines are required to devote at least 10 per cent of their space to news and editorial content. A change is proposed to ensure that this test applies to printed space and that margins and other blank spaces are not counted as part of the news content in calculating the appropriate percentages.

All of these changes are effective from April 20, 1983.

Telecommunications Programming Services Tax

As part of the Broadcasting Strategy for Canada, the Minister of Communications recently announced additional assistance to private production companies and independent producers to assist the nation's broadcasting system to respond to the technological and programming challenges of the next two decades.

To help finance this assistance, it is proposed to apply a 6-per-cent sales tax to amounts charged for radio and television programming services. The tax will apply to programming services provided by telecommunication, including a charge for television cable rental, pay T.V., and movies shown on television in hotels. The tax also will apply to any installation charge for the programming services, and to any sale or

rental of equipment used in the reception of programming services (such as pay T.V. signal decoders) where that equipment is available only from the person providing the programming service. If the equipment is freely available in the market and subscribers are legally permitted to use it in conjunction with the reception of a programming service, then it will be exempt from the tax.

The tax will be imposed upon the cable companies and other persons providing the programming services, but they will be permitted to pass the tax on to subscribers in the form of higher sale price or rental charge. Such persons will be required to apply to the Minister of National Revenue for a licence under the Federal Excise Tax Act and remit the tax to the government each month.

Persons who are providing services to fewer than 200 subscribers for personal viewing during the course of a month will generally not be required to apply for a license, and the tax will not apply to any amounts charged by them for programming services.

The tax will come into effect July 1, 1983 and will apply to any amounts charged after April 19, 1983 for programming services to be provided on or after July 1, 1983. Any pre-payments made on or before April 19, 1983 in respect of services to be provided after June 30, 1983 will not attract the tax.

Full details of the tax are given in the Notices of Ways and Means Motion. Persons providing programming services should contact the District Office of Revenue Canada — Customs and Excise in their area for further details.

Customs Tariff Changes

Tourist Exemption

The budget proposes to double the limits on the value of goods that can be brought back to Canada free of duty and tax by returning Canadians under the "tourist exemptions". Effective April 20, 1983, the "quarterly" exemption is being increased to \$100 from \$50. The "annual" exemption is being increased to \$300 from \$150. The so-called "casual" exemption, which has no frequency-of-use limitation, will also be doubled, from \$10 to \$20.

Other Tariff Changes

A number of tariff amendments are proposed to implement recommendations made by the Tariff Board in Part II of its report on the General Preferential Tariff for developing countries. In July 1980, the Board was asked to report on the impact of providing expanded product coverage and lower rates of duty under the General Preferential Tariff. Part I of the Board's report was implemented in the November 1981 budget. The lower rates now being introduced cover imports from developing countries valued at about \$10 million annually. The General Preferential Tariff itself, which was introduced in 1974 for an initial period of 10 years, is to be extended for another 10 years, until June 30, 1994, and the "rules of origin" which must be met for products to obtain entry at the preferential rates are being liberalized.

Other tariff amendments respond to a number of representations received since the November 1981 budget, most of them for lower rates of duty on various goods that are not made in Canada. Included are diesel engines for crawler machines, electronic carillons for churches, and certain equipment for sound-recording studios. The tariff schedule covering firebrick and other refractory products is being simplified as recommended by the Tariff Board. There will be increases in tariffs on certain "wear" parts for machinery which will be brought into effect on a day to be fixed by proclamation following completion of negotiations under the GATT.

Apart from the increases, the changes are effective for imports on and after April 20, 1983.

Notice of Ways and Means Motion to Amend the Income Tax Act

Notice of Ways and Means Motion to Amend The Income Tax Act

That it is expedient to amend the Income Tax Act and to provide among other things:

- Forward Averaging** (1) That for the 1983 and subsequent taxation years, the definition of taxable income be amended to allow for any addition as provided in Division C of the Act.
- Employment Expense Deduction** (2) That for the 1983 and subsequent taxation years, the employment expense deduction be increased from 3% of employment income, maximum \$500, to 20% of employment income, maximum \$500.
- Overseas Employment Credit** (3) That for the 1984 and subsequent taxation years, the overseas employment deduction be replaced by a tax credit equal to 80% of the tax otherwise payable by an individual on up to \$100,000 of his eligible overseas employment income, that the credit not apply to individuals entitled to an exclusion under subparagraph 6(1)(b)(iii) of the Act and that consequential amendments be made to the foreign tax credit.
- Crown Royalties** (4) That for amounts that become receivable after April 19, 1983 in respect of the period after that date, subparagraph 12(1)(o)(v) of the Act apply only to a taxpayer who has an interest with respect to which the statutory or contractual obligation referred to in paragraph 12(1)(o) of the Act is imposed.
- Repayment of Deposits** (5) That for the 1982 and subsequent taxation years, any repayment by a taxpayer of amounts included in his income under paragraph 12(1)(a) of the Act be allowed as a deduction.
- Listed-Personal-Property Losses** (6) That listed-personal-property losses of a taxpayer for the 1984 and subsequent taxation years be deductible in computing his net gain from dispositions of listed personal property for the 3 years preceding and the 7 years following the loss year, except that the listed-personal-property loss for 1984 shall be carried back only to the two preceding taxation years.
- Child Care Expenses** (7) That for the 1983 and subsequent taxation years, the provisions of section 63 of the Act relating to the deductibility of child care expenses be modified
- (a) to increase the maximum amount deductible to the least of \$8,000, \$2,000 per eligible child and $\frac{2}{3}$ of the claimant's earned income,
 - (b) to provide similar rules for men and women with respect to their eligibility to deduct child care expenses, and
 - (c) to restrict the deduction in most circumstances to the parent or supporting individual having the lower income, except in respect of a period when that person is infirm, in prison or in full-time attendance at a designated educational institution.
- Successor Corporation Rules** (8) That the provisions of the Act relating to the deduction of exploration, development and resource property expenses of a predecessor corporation by a succes-

sor corporation be extended to the unclaimed expenses of an individual who disposes of his resource properties after April 19, 1983 to a successor corporation if the corporation and the individual elect jointly to have the successor corporation rules apply.

Joint Exploration Corporations

(9) That the provisions of the Act relating to the renunciation of resource expenses by a joint exploration corporation be modified

(a) in respect of expenses incurred after March 16, 1983 (other than expenses incurred before October, 1984 in respect of which payments or loans were made to the corporation by a shareholder corporation pursuant to arrangements which were substantially advanced and evidenced in writing on or before March 16, 1983) to limit the expenses that may be renounced to the amount by which they exceed any grant or other government assistance that a person at any time becomes entitled to receive in respect of the expenses, and

(b) to provide that the amount of such expenses renounced at any time by a joint exploration corporation after April 19, 1983 be deducted from its cumulative resource expense pools at the earlier of that time and immediately before the end of its taxation year in respect of which the election to renounce the expenses is made.

(10) That with respect to the provisions of the Act relating to joint exploration corporations,

(a) the definitions of "agreed portion" and "shareholder corporation" be amended for the 1982 and subsequent taxation years to clarify that a loan by a shareholder corporation to a joint exploration corporation qualify for the same treatment as payments referred to in those definitions, and

(b) the cost to a shareholder corporation of property received as consideration for a loan or payment made by it after April 19, 1983 to a joint exploration corporation in respect of expenses that the joint exploration corporation renounces or may reasonably be expected to renounce be deemed to be nil.

Enhanced Oil Recovery

(11) That an expense incurred by a taxpayer after 1980 in drilling or converting a well in Canada for the injection of water, gas or any other substance to assist in the recovery of petroleum or natural gas from another well qualify as a Canadian development expense.

Aviation Turbine Fuel

(12) That the provisions of the Act relating to aviation turbine fuel used on international flights be repealed for purchases and sales of such fuel after April 30, 1983.

Family Farm Rollover

(13) That the provisions of the Act relating to the transfer by a taxpayer of shares of a family farm corporation to his child be extended to transfers after May 25, 1978 of shares of a family farm holding corporation.

Optional Standard Deduction

(14) That for the 1984 and subsequent taxation years, the \$100 optional standard deduction be repealed and that consequential amendments be made to the income threshold amounts used to determine exemptions for dependants.

Non-Capital and Farm Losses

(15) That non-capital losses for the 1983 and subsequent taxation years be deductible in computing taxable income for the 3 taxation years preceding and the 7 taxation years following the loss year, except that

(a) that portion of a taxpayer's non-capital loss for the 1983 and subsequent taxation years that is attributable to a loss from farming or fishing (in this paragraph referred to as a "farm loss") shall be deductible in computing taxable income for the 3 taxation years preceding and the 10 taxation years following the loss year,

(b) a taxpayer's non-capital loss and farm loss for the 1983 taxation year shall be carried back only to the two preceding taxation years where the taxpayer is neither an individual (other than a trust) nor a corporation that would, if it had sufficient income for the year from carrying on an active or a non-qualifying business in Canada, qualify for a small business deduction under section 125 of the Act, and

(c) a non-capital loss and farm loss of a corporation for a taxation year commencing after the acquisition of control of the corporation shall not be deductible in computing its taxable income for a preceding taxation year commencing before the acquisition (other than the taxation year immediately preceding a loss year, where control was acquired before April 20, 1983 or within one year of that date pursuant to arrangements that were substantially advanced and evidenced in writing on or before April 19, 1983) unless the business in which the loss was sustained was carried on in the preceding year and throughout the loss year in which case the loss shall be deductible only to the extent of the corporation's income in the preceding year from that business or a similar business.

Net Capital Losses

(16) That net capital losses for the 1984 and subsequent taxation years be deductible in computing taxable income for the 3 taxation years preceding the loss year and for all subsequent taxation years, except that

(a) net capital losses for the 1984 taxation year may be carried back only to the two preceding taxation years, and

(b) a net capital loss of a corporation for a taxation year commencing after the acquisition of control of the corporation is not deductible in computing taxable income for a taxation year commencing before the acquisition (other than the taxation year immediately preceding the loss year, where control was acquired before April 20, 1983 or within one year of that date pursuant to arrangements that were substantially advanced and evidenced in writing on or before April 19, 1983).

Restricted Farm Losses

(17) That restricted farm losses for the 1983 and subsequent taxation years be deductible against farm income in computing taxable income for the 3 taxation years preceding and the 10 taxation years following the loss year, except that a taxpayer's restricted farm loss for the 1983 taxation year may be carried back only to the two preceding taxation years where the taxpayer is neither an individual (other than a trust) nor a corporation that qualifies or would, if it had sufficient income for the year from carrying on an active or a non-qualifying business in Canada, qualify for a small business deduction under section 125 of the Act.

Child Tax Exemption

(18) That for the 1984 and subsequent taxation years, the maximum personal exemptions referred to in the Act in respect of a dependent person under 18 years of age at the end of the year be limited to \$710 that the related income threshold be limited to \$2,350 and that these amounts no longer be indexed.

Child Tax Credit

(19) That

(a) for the 1983 taxation year, the maximum amount of the child tax credit be \$343 in respect of each eligible child and thereafter be indexed,

(b) for the 1983 and subsequent taxation years, the concept of family income for the purposes of the child tax credit be extended to include the income of unmarried parents who are living together at the end of the year and the income for the year of a parent and any other person claiming a deduction under section 109 of the Act in respect of an eligible child of the parent,

(c) for the 1983 and subsequent taxation years, the family income threshold beyond which the child tax credit is reduced be limited to \$26,330, and

(d) for the 1983 and subsequent taxation years, an individual and any person with whom he resides at the end of the year and whose income is added to the individual's income in computing family income for the purposes of the child tax credit for the year be jointly and severally liable to reimburse any overpayment of the individual's child tax credit for the year and to pay any penalty or interest attributable thereto.

Federal Tax Credit

(20) That the federal tax credit be modified

(a) for the 1984 and subsequent taxation years so that the credit is reduced by 10% of the amount by which an individual's tax otherwise payable for the year under Part I of the Act exceeds \$6,000, and

(b) to reduce the maximum credit from \$200 to \$100 for the 1985 taxation year and to \$50 for the 1986 and subsequent taxation years.

Foreign Tax Credit

(21) That for the 1983 and subsequent taxation years, the denominator in the formula for determining an individual's foreign tax credit limitation be increased by any forward averaging amount included in his taxable income.

Investment Tax Credit

(22) That

(a) the investment tax credit be extended at a rate of 7% to prescribed new heavy construction equipment acquired after April 19, 1983 for use in Canada in a business.

(b) investment tax credits earned by a taxpayer in respect of qualifying investments made after April 19, 1983 be fully deductible in computing his tax payable under Part I of the Act, and

(c) any unclaimed investment tax credits earned by a taxpayer after April 19, 1983 be allowed to be carried forward for 7 taxation years and be carried back, in the case of the investment tax credits earned in the 1983 taxation year for 2 taxation years and in any other case for 3 taxation years.

Refund of Investment Tax Credit

(23) That to the extent that an investment tax credit is earned in a taxation year by a taxpayer (other than an exempt person) in respect of a qualifying investment made in the period commencing April 20, 1983 and ending April 30, 1986 and is not claimed against his tax otherwise payable for the year or a preceding taxation year, the taxpayer be entitled to a refundable tax credit

(a) equal to 40% thereof in the case of an individual (other than certain trusts) and a corporation that qualifies or would, if it had sufficient income for the year from carrying on an active or a non-qualifying business in Canada, qualify for a small business deduction under section 125 of the Act, and

(b) equal to 20% thereof in any other case.

Political Contributions

(24) That the credit for political contributions be denied for contributions made after April 19, 1983 where the contribution qualifies for any credit, grant, subsidy or other form of assistance from any other government or governmental agency.

**Registered Home
Ownership Savings Plans**

(25) That the provisions relating to registered home ownership savings plans be modified to permit,

(a) for the 1983 and 1984 taxation years, a beneficiary under a plan to deduct the unused portion of his \$10,000 contribution limit where he withdraws in the year all the funds from the plan and uses them in the year or within 60 days after the end of the year to purchase after April 19, 1983 a new owner-occupied home (with or without qualifying new home furnishings therefor) provided that

(i) the home is occupied by him after that date and within 60 days after the end of the year,

(ii) no such deduction is claimed by another person in respect of the same home,

(iii) no grant is paid under the Canadian Home Ownership Stimulation Plan in respect of the home, and

(iv) neither the beneficiary nor his spouse previously owned a dwelling after 1981, and

(b) an individual who was, on April 18, 1983, a beneficiary under a plan, to withdraw tax-free after April 19, 1983 and before 1984 part or all of the funds from the plan, provided that such funds are used before March 1, 1984 to purchase qualifying new home furnishings for his own use in Canada and that he does not claim a deduction in computing his income for 1983 for any contribution made after April 19, 1983 to a plan.

**Interest Relating to
Carry-Backs**

(26) That where deductions or tax credits for a particular taxation year ending after April 19, 1983 are carried back, interest on any resulting tax adjustment for a preceding taxation year be calculated from the later of the due date of the tax return for the particular year and the date on which the return for that year is filed.

**Overpayment of Certain
Tax Credits**

(27) That the Minister of National Revenue be allowed to recover with interest at a prescribed rate any amount paid after April 19, 1983 to a taxpayer as a child tax credit, refundable investment tax credit or share-purchase tax credit to the extent that such amount is subsequently determined to be in excess of the credit to which he was entitled.

Interest on Tax Refunds

(28) That interest at a prescribed rate be payable by a taxpayer for the period after April 19, 1983 where a refund or application of any overpayment of his tax paid for a taxation year is later determined to have been in excess of the amount to which he was entitled.

**Recovery of Refund
Interest**

(29) That

(a) the Minister of National Revenue be allowed to recover interest paid after April 19, 1983 to a taxpayer in respect of an overpayment of tax where it is subsequently determined that a refund or application of the tax is in excess of the amount to which he was entitled, and

(b) for the 1983 and subsequent taxation years a deduction be allowed for the taxation year in which interest is recovered by the Minister to the extent that it was included in the taxpayer's taxable income.

Part IV Tax

(30) That for the purposes of the Part IV tax on dividends received after April 19, 1983, other than dividends declared on or before that date, control of a payer corporation be determined without regard to any right referred to in paragraph 251(5)(b) of the Act.

**Special Recovery
Share-Purchase Tax
Credit**

(31) That for the 1983 and subsequent taxation years,

(a) a share-purchase tax credit be provided equal to the designated amount on any qualifying share acquired by a taxpayer who is the first registered holder thereof, other than a trader or dealer in securities, and, where the purchaser is a pension plan or other tax-exempt person described in paragraphs 149(1)(c) to (y) of the Act, the credit be refundable,

(b) any share-purchase tax credit earned by a taxpayer reduce the adjusted cost base of the share on which it is earned,

(c) the issuer of a qualifying share be required to pay a special tax equal to the amount designated by it in respect of the share, and

(d) the special tax be refundable to an issuer in a taxation year to the extent of any unclaimed share-purchase tax credit earned by it in the year and its investment tax credit earned after April 19, 1983 that was unclaimed at the end of the year

and for the purposes of this paragraph, "designated amount" means the amount designated by an issuing corporation in respect of a qualifying share not exceeding 25% of the consideration for which the share was issued, and "qualifying share" means a share, other than a preferred share, of a taxable Canadian corporation issued after June 30, 1983 and before 1987, but does not include a share issued subject to a right or obligation to be redeemed, acquired, cancelled or converted for an amount other than its fair market value, or a share which may reasonably be expected to be redeemed, acquired, cancelled or converted within 2 years of its date of issue.

**Notice of Ways and Means Motion to Amend
the Income Tax Application Rules, 1971**

Notice of Ways and Means Motion to Amend The Income Tax Application Rules, 1971

Income Tax Application Rules, 1971

That it is expedient to amend the Income Tax Application Rules, 1971 and to provide among other things that the provisions of section 29 of the Rules relating to the deduction of exploration, development and resource property expenses of a predecessor corporation by a successor corporation be extended to the unclaimed expenses of an individual who disposes of his resource properties after April 19, 1983 to a successor corporation if the corporation and the individual elect jointly to have the successor corporation rules apply.

Notice of Ways and Means Motion to Amend the Petroleum and Gas Revenue Tax Act

Notice of Ways and Means Motion to Amend The Petroleum and Gas Revenue Tax Act

That it is expedient to amend the Petroleum and Gas Revenue Tax Act and to provide among other things:

Repayment of Deposits

(1) That for the 1982 and subsequent taxation years, any repayment by a taxpayer in a taxation year of an amount that has been included in computing his production revenue for the year or a preceding taxation year in respect of services not rendered or goods not delivered before the end of the year be deducted in computing his production revenue for the year.

Enhanced Oil Recovery Projects

(2) That rules be introduced

- (a) to allow a deduction in respect of qualifying expenditures after December 31, 1982 in respect of a prescribed enhanced oil recovery project, on the drilling of wells and oil and gas well equipment, from the production revenue derived after that date from the reservoir to which the project relates, and
- (b) to provide for recapture of the deduction on the disposition of any property on which a qualifying expenditure was made.

Interest on Tax Refunds

(3) That interest at a prescribed rate be payable by a taxpayer for the period after April 19, 1983 where a refund or application of any overpayment of his tax paid for a taxation year is later determined to have been in excess of the amount to which he was entitled.

Recovery of Refund Interest

(4) That the Minister of National Revenue be allowed to recover interest paid after April 19, 1983 to a taxpayer in respect of an overpayment of tax where it is subsequently determined that a refund or application of the tax is in excess of the amount to which he was entitled.

**Notice of Ways and Means Motion
to Amend the Excise Tax Act (1)**

Notice of Ways and Means Motion to Amend the Excise Tax Act (1)

That it is expedient to introduce a measure to amend the Excise Tax Act and to provide among other things:

1. That, where two or more amounts are paid or payable at the same time for transportation of a person by air on a continuous journey and the licensed air carrier or his agent from whom the transportation is purchased records on each ticket issued at the same time the ticket numbers, including air carrier codes, and flight numbers for all flights comprising the continuous journey, the total air transportation tax on all such amounts for transportation of the person by air be limited to the tax that would have been payable had a single amount been paid or payable for the same transportation.

2. That the provisions relating to adjustment in or refund of any portion of the tax paid on the transportation of a person by air not apply where the amount of the air transportation tax has been reduced as a result of the application of any enactment founded on paragraph 1 of this motion unless all of the tickets purchased at the same time are cancelled at the same time.

3. That section 8 of the Act be amended by adding thereto immediately after the definition "certified air carrier" the following definition:

“ “emplanement” does not include an emplanement resulting from a technical landing;”

4. That section 8 of the Act be further amended by adding thereto the following definition:

“ “technical landing” in respect of an aircraft, means a landing of the aircraft made solely to obtain ground services required for the aircraft.”

5. That the provisions of subsections 10(3) and 11(3) of the Act relating to the determination of the tax imposed on an amount paid or payable for transportation of a person by air by an aircraft that has been chartered for the purpose be repealed.

6. That the tax imposed by Part II of the Act, on each amount paid or payable in Canada to a certified air carrier for air transportation by an aircraft that has been chartered for the purpose by one or more charterers, where such transportation begins at a point in the taxation area and ends at a point in the taxation area, be the lesser of

(a) eight per cent on each amount paid or payable, and

(b) the aggregate of such amount, as may be prescribed by order of the Governor in Council on the recommendation of the Minister of Transport, in respect of

each emplanement on the aircraft by any person pursuant to the charter agreement.

7. That where the tax imposed on an amount paid or payable outside Canada for transportation of a person by air that begins at a point in the taxation area and ends at a point in the taxation area is payable by the person at the time when he emplanes on an aircraft at an airport in Canada and evidence of the amount paid or payable for the transportation is not submitted in the manner and form prescribed by regulation of the Governor in Council by the person to the licensed air carrier required to collect the tax in Canada, the tax payable by the person be the amount prescribed by order of the Governor in Council pursuant to paragraph 10(2)(b) of the Act.

8. That authority be provided for the Governor in Council to prescribe the manner and form in which evidence of an amount paid or payable outside Canada for transportation of a person by air shall be submitted by the person to the licensed air carrier in Canada.

9. That the tax imposed by Part II of the Act, on each amount paid or payable in Canada to a certified air carrier for air transportation by an aircraft that has been chartered for the purpose by one or more charterers, where such transportation begins at a point in the taxation area and ends at a point outside the taxation area, be the aggregate of the lesser of

(a) twelve dollars and fifty cents, and

(b) such amount as may be prescribed by order of the Governor in Council on the recommendation of the Minister of Transport,

in respect of each emplanement on the aircraft by any person pursuant to the charter agreement by which that charterer is bound, where such emplanement is at an airport in Canada on a specific flight having as a destination an airport outside Canada and subsequent deplanement by the person from the flight at an airport outside Canada, and that the tax be reduced by fifty per cent when the person emplaning is a child under twelve years of age and is being transported at a fare reduced fifty per cent or more below the applicable fare.

10. That the definition "natural gas liquids" in subsection 25.1(1) of the Act be repealed and provisions along the following lines substituted therefor:

"natural gas liquids" means, whether or not in combination with other substances, only the following:

(a) ethane,

(b) propane,

(c) butanes, and

(d) any mixture of two or more thereof,

that are produced at a gas processing plant or a gas reprocessing plant.

11. That paragraph 25.14(4)(d) of the Act be repealed and a provision along the following lines substituted therefor:

(d) in the case of natural gas liquids that are a mixture of two or more of

- (i) ethane,
- (ii) propane, and
- (iii) butanes,

an amount computed on the basis of the rate of tax applicable to each component of that mixture under paragraph (a), (b) or (c) in the proportion that ethane, propane or butanes are of the mixture.

12. That, during the period commencing on October 1, 1984 and ending on December 31, 1988, the ad valorem consumption or sales tax be imposed at the following rates:

- (a) thirteen per cent on the sale price of wines and goods on which a duty of excise is imposed under the Excise Act or would be imposed under that Act were the goods produced or manufactured in Canada,
- (b) six per cent on the sale price of goods enumerated in Schedule V, and
- (c) ten per cent on the sale price of all other goods to which subsection 27(1) of the Act applies.

13. That the wording of the French version of paragraphs 27(2)(g) and (h) be amended to conform with the original intention of the legislation as reflected in the English version thereof.

14. That, with respect to the exemptions from the consumption or sales tax for magazines and newspapers in Part III of Schedule III,

- (a) the criteria based on the percentage of space devoted to advertising that identify magazines and newspapers which are excluded from the exemption provisions be replaced with similar criteria based on the percentage of printed space devoted to advertising;
- (b) for purposes of determining the percentage of printed space devoted to advertising, "printed space" be defined as all space available to the advertiser;
- (c) except as provided in any enactment founded on subparagraph 14(b) of this motion, "printed space" be defined as that part of the page excluding the margins thereof; and
- (d) "margin" be defined as that part of the surface of a page between the upper, lower, inner or outer edge of the page and the main body of printed matter, which space may contain all or any portion of the name, price, date, issue number or page number of the publication or all or any portion of the name or number of a section of the publication, or may contain marks, marginal notes or similar printed matter and may be coloured or patterned.

15. That the exemption from the consumption or sales tax for goods mentioned in paragraph 1(e) of Part XII of Schedule III to the Act sold to or imported by municipalities for their own use be limited to goods for use directly in water distribution, sewerage or drainage systems, articles and materials used in the construction of a building or that portion of a building used exclusively to house machinery and apparatus for use directly in water distribution, sewerage or drainage systems, and chemicals for use in the treatment of water or sewage.

16. That the exemption from the consumption or sales tax for production equipment, processing materials and plans in Part XIII of Schedule III to the Act be amended

(a) to exclude

(i) portable and mobile electric generators and alternators, including drive motors therefor, and

(ii) portable and mobile generator and alternator sets,

other than when purchased for use on the farm for farm purposes only, and

(b) to exclude

(i) standby electric generators and alternators, including drive motors therefor, and

(ii) standby generator and alternator sets

for production of electricity for use primarily in a building that normally utilizes electricity supplied by a public or private utility where that building is used primarily for activities other than the manufacture or production of goods.

17. That the exemption from the consumption or sales tax for trucks in section 1 of Part XVII of Schedule III to the Act be limited to those trucks, with a gross vehicle mass rating of 7250 kg or more, that are designed primarily for the carriage of freight.

18. That any enactment founded on

(a) paragraphs 10 and 11 come into force on November 1, 1980;

(b) paragraphs 1, 2 and 13 to 17 come into force on April 20, 1983; and

(c) paragraphs 3 to 9 come into force on June 1, 1983 and apply in respect of amounts paid or payable on or after that date for transportation of a person by air on or after that date.

19. That any Order in Council made under any enactment founded on paragraph 6 for purposes of implementing that enactment come into force on June 1, 1983 if the order so provides, or on such subsequent date as the order may provide.

**Notice of Ways and Means Motion
to Amend the Excise Tax Act (2)**

Notice of Ways and Means Motion to Amend the Excise Tax Act (2)

That it is expedient to introduce a measure to amend the Excise Tax Act to establish a telecommunication programming services tax, and to provide among other things:

1. That a tax be imposed, levied and collected at the rate of six per cent on the amount charged for or in respect of the provision of a taxable service, payable by the person providing the service at the earlier of the time the amount charged is paid or payable.
2. That the tax imposed by the said measure be binding on Her Majesty in right of Canada and in right of any province.
3. That for purposes of the said measure
 - (a) the "amount charged" for or in respect of the provision of a taxable service be defined as any amount paid or payable by a person for or in respect of the provision of a taxable service before any amount payable in respect of any tax imposed pursuant to any enactment founded on this motion or imposed under an Act of the legislature of a province respecting retail sales tax is added thereto;
 - (b) "broadcasting" be defined as any radiocommunication in which the transmissions are intended for direct reception by the general public;
 - (c) "licensee" be defined as any person to whom a licence has been issued for purposes of the said measure and include any person required to apply for a licence;
 - (d) "programming service" be defined as any presentation of sound or visual matter designed to inform, enlighten or entertain, of a nature or kind that is broadcast by radio or television stations;
 - (e) "small undertaking resident in Canada" include a person or a corporation, as the case may be, that is a small undertaking and is described in paragraph 250(1)(a) or subsections 250(3) and (4) of the *Income Tax Act*;
 - (f) "small undertaking" in a month be defined as a person who, in that month, provides a taxable service
 - (i) where the aggregate of the number of persons to whom a taxable service is provided by him and by any person related to him for an amount charged and by any person to whom he or any person related to him provides a taxable service for an amount charged does not exceed two hundred in that month or in any month in the immediately preceding year, or

(ii) in a premises or place to which admission is granted to a person for purposes of presentation of a programming service to that person, upon payment of a charge or fee through the sale of a ticket or any other similar means of admission;

(g) "taxable service" be defined as

(i) any programming service provided by means of telecommunication to the public or any portion thereof,

(ii) any commencement or cessation of the provision to a person of a programming service described in any enactment founded on clause (i) of subparagraph 3(g) of this motion,

(iii) any instrument, device, equipment, apparatus or any component thereof, other than a television receiver, used in conjunction with the reception of a programming service described in any enactment founded on clause (i) of subparagraph 3(g) of this motion, and provided by the person providing the programming service or any person authorized or designated by him, acting on his behalf or related to him, if the person providing the programming service requires that such goods be acquired exclusively from him or any person authorized or designated by him, acting on his behalf or related to him,

(iv) the installation, disconnection, replacement, repair or maintenance of any instrument, device, equipment, apparatus, or any component thereof, other than a television receiver, that is referred to in any enactment founded on clause (iii) of subparagraph 3(g) of this motion, by any person providing a programming service referred to in an enactment founded on clause (i) of subparagraph 3(g) of this motion, or by any person authorized or designated by him, acting on his behalf or related to him,

but not include any surveillance or monitoring service, telebanking or teleshopping service, opinion polling service or such other service as may be prescribed by regulation of the Governor in Council, that a person providing a programming service may provide for an additional fee on the election of the person to whom the programming service is provided;

(h) "telecommunication" be defined as any transmission, emission or reception of signs, signals, writing, images or sounds or intelligence of any nature by wire, radio, visual or other electromagnetic system; and

(i) "related persons" be given the same meaning as in subsection 251(2) of the *Income Tax Act* except that a reference therein to a corporation be read as a reference to a corporation or a partnership and references in section 251 to shares and shareholders in respect of a corporation, in the case of a partnership, be read as references to partnership rights and members of the partnership, respectively.

4. That a small undertaking that acquires a taxable service from a person, other than a licensee or another small undertaking resident in Canada, be deemed to have provided that taxable service for an amount charged equal to the amount charged by the person from whom he acquired the service and that such amount be deemed to

have been paid at the end of the month in which the service was acquired from that person.

5. That for purposes of the said measure, the Minister of National Revenue be authorized to determine or specify a method for determining the amount charged for or in respect of the provision of a taxable service where

(a) the taxable service is, in the opinion of the Minister, provided under circumstances or conditions that render it difficult or impossible to otherwise determine the amount charged, or

(b) the taxable service is provided for an amount charged that is, in the opinion of the Minister, less than a fair amount on which tax should be imposed.

6. That the tax not be payable on an amount charged for or in respect of the provision of a taxable service

(a) to a licensee who, at the time the tax is payable, gives his licence number and certifies to the person providing the taxable service that the service is being acquired

(i) for provision to another person for an amount charged, or

(ii) in the case of a taxable service described in any enactment founded on clause (ii), (iii) or (iv) of subparagraph 3(g) of this motion, for use in conjunction with the provision of a service acquired for a purpose described in any enactment founded on clause (i) of subparagraph 6(a) of this motion,

(b) to a person who is acquiring the taxable service

(i) for broadcasting without charge, or

(ii) in the case of a taxable service described in any enactment founded on clause (ii), (iii) or (iv) of subparagraph 3(g) of this motion, for use in conjunction with the provision of a service acquired for a purpose described in any enactment founded on clause (i) of subparagraph 6(b) of this motion,

and who so certifies to the person providing the taxable service at the time the tax is payable, or

(c) by a small undertaking, other than where the taxable service is deemed to have been provided by the small undertaking by any enactment founded on paragraph 4 of this motion.

7. That where relief from tax on the amount charged for or in respect of the provision of a taxable service is granted pursuant to any enactment founded on subparagraph 6(a) or (b) of this motion and that service is diverted to any other use or purpose for which no such relief is granted, the person who provided the service and the person who diverted the service be jointly and severally liable to pay tax at the time the service is diverted computed on the amount charged for or in respect of the provision of the service at the time the relief was granted.

8. That for purposes of administration of the said measure, and payment and collection of the taxes imposed thereby,

(a) every person providing a taxable service, other than a small undertaking, be required to apply for a licence,

(b) the Minister be authorized to issue and cancel licences, and

(c) the Governor in Council be authorized to make regulations

(i) prescribing services to be excluded from the definition "taxable service", and

(ii) for carrying out the provisions of any enactment founded on this motion.

9. That,

(a) notwithstanding any provision of the *Broadcasting Act* or any other Act of Parliament or any regulation or statutory instrument made thereunder or any other law, and

(b) notwithstanding

(i) any regulation, decision or order made or licence or renewal of a licence issued by the Canadian Radio-television and Telecommunications Commission, or

(ii) any other act or thing given, done or issued pursuant to the *Broadcasting Act*, any other Act of Parliament or any other law,

before or after the coming into force of any enactment founded on this motion,

for purposes of the said measure, a person providing a taxable service be authorized to increase the amount charged for or in respect of the provision of the taxable service by an amount not exceeding the tax payable by him in respect of the provision of that service.

10. That the provisions of subsection 44(1) of the Act relating to deductions from and refunds of taxes imposed by the Act be extended to provide for refund of or adjustment to tax imposed on an amount charged by a licensee for or in respect of the provision of a taxable service where the service for or in respect of which the amount was charged has not been provided or has been only partially provided or where the amount charged has been paid in error to the licensee.

11. That the provisions of subsections 44(2) and (2.1) of the Act relating to refunds of taxes paid in respect of goods purchased or imported by Her Majesty in right of a province be extended to apply to tax paid on an amount charged for or in respect of the provision of a taxable service to Her Majesty in right of a province.

12. That where a person has acquired a taxable service from a licensee for an amount charged for the purpose of providing that service to another person for an amount charged, at a time when he was required to apply for a licence and a licence

is subsequently issued to him, a payment to that person or a deduction from taxes payable by that person, be authorised in an amount equal to the taxes paid on the amount charged for or in respect of the provision of the services by the licensee from whom the services were acquired.

13. That the provisions of section 50 of the Act relating to returns, payment of tax and penalties be extended to apply for the purposes of any enactment founded on this motion.

14. That the requirement in subsection 50.1(1) of the Act to submit reports be extended to apply to a licensee as defined under any enactment founded on subparagraph 3(c) of this motion.

15. That the provisions of subsection 52(4) of the Act relating to certificates of default in respect of amounts payable in respect of taxes, interest and penalties remaining unpaid be extended to apply to unpaid taxes, interest and penalties imposed pursuant to any enactment founded on this motion.

16. That the provisions of subsection 52(5) of the Act relating to the application of penalties to the non-payment of judgments be extended to apply to the non-payment of judgments in respect of any taxes payable pursuant to any enactment founded on this motion.

17. That the provisions of subsection 52(11) of the Act relating to the application of penalties to defaults in payment by persons from whom payment has been demanded be extended to apply penalties imposed pursuant to any enactment founded on this motion to such defaults.

18. That the provisions of subsection 52(16) of the Act relating to the application of demands for payment in respect of amounts payable pursuant to assessments be extended to apply for the purposes of any enactment founded on this motion.

19. That the provisions of subsection 53(2) of the Act relating to evidence in respect of licences be extended to apply in respect of any enactment founded on this motion.

20. That where any difference arises or where any doubt exists as to whether any or what rate of tax is payable on an amount charged for or in respect of the provision of a taxable service, the Tariff Board be authorized to declare what rate of tax is payable or that no tax is payable on the amount charged in respect of the provision of the taxable service.

21. That the provisions of subsection 70(1) of the Act relating to the entitlement of a taxpayer to recover from a purchaser the amount of taxes paid where the purchaser has falsely represented that the goods were acquired for a use rendering them exempt from tax be extended to apply in respect of any enactment founded on this motion.

22. That any enactment founded on this motion come into force on April 20, 1983, and the tax be imposed on amounts charged on or after that date for or in respect of the provision of taxable services after June 30, 1983.

Notice of Ways and Means Motion to Amend the Excise Act

Notice of Ways and Means Motion to Amend the Excise Act

That it is expedient to introduce a measure to amend the Excise Act and to provide among other things:

1. That authority be provided for the Minister of National Revenue to make regulations prescribing anything that by the Act is to be prescribed by departmental regulations.
2. That the limitation in paragraph 117(1)(b) on the use of summary conviction to sue for and recover any penalty or forfeiture or to impose, adjudge and order any term of imprisonment for any indictable offence against the Act be set at ten thousand dollars with respect to any such penalty or forfeiture and twelve months imprisonment, and that the reference to hard labour in relation to such term of imprisonment be deleted.
3. That authority be provided to grant a refund or drawback of the duty imposed under the *Customs Tariff*, pursuant to section 21 thereof, in respect of spirits, wine or flavouring materials having a spirit content, on which the Customs duty has been paid and not refunded, that are brought into a distillery for the purposes of blending with spirits in bond, under such terms and conditions as the Governor in Council may, by regulation, prescribe.

Notice of Ways and Means Motion Customs Tariff

Notice of Ways and Means Motion Customs Tariff

1. (1) That section 3.1 of the *Customs Tariff* be amended by adding thereto, immediately after paragraph (1) thereof, the following paragraph:

“(1.1) The Governor in Council may, by order and on such terms and conditions as he may specify, exempt the goods produced in a country enjoying the benefits of the General Preferential Tariff from the condition of direct shipment set out in paragraph (5)(c) and from the furnishing of proof of origin specified in accordance with subsection (6) or from the application of one of these requirements.”

(2) That paragraph 3.1(3)(a) of the said Act be repealed and the following substituted therefor:

“(a) the goods enumerated in any of the tariff items in Groups I, II, III, IV and VI of Schedule A except the goods enumerated in tariff items 805-1, 825-1, 915-1, 1002-1, 1210-1, 1300-1, 1305-1, 1400-1, 1510-1, 1515-1, 1520-1, 1805-1, 2200-1, 2300-1, 2505-1, 2600-1, 2605-1, 3105-1, 3200-1, 3300-1, 3400-1, 3910-1, 3915-1, 4505-1, 4600-1, 4715-1, 4725-1, 6300-1, 6500-1, 6600-1, 6610-1, 6700-1, 6928-1, 7910-1, 9905-1, 10520-1, 10522-1, 10523-2, 10535-2, 10657-1, 10658-1, 10663-2, 10664-2, 11400-2, 11901-1, 11902-1, 11903-1, 11904-1, 12001-1, 12002-1, 12003-1, 12004-1, 12100-1, 12303-1, 12405-1, 12505-1, 12505-2, 12600-1, 12805-1, 13300-1, 13300-2, 14100-1, 14201-1, 14202-1, 14203-2, 14204-2, 14205-1, 14210-1, 14305-1, 14700-1, 15605-1, 15610-1, 15615-1, 15620-1, 15625-1, 15630-1, 15635-1, 15905-1, 15910-1, 16001-1, 16002-1, 16101-1, 16102-1, 16810-1, 20655-1, 20900-1, 21000-1, 21100-1, 21630-1, 22001-1, 22001-2, 22003-1, 22003-2, 22400-1, 22600-1, 22800-1, 22900-1, 23000-1, 23105-1, 23200-1, 23205-1, 23210-1, 23215-1, 23230-1, 23235-1, 23300-1, 23400-1, 23405-1, 23600-1, 23605-1, 23610-1, 24710-1, 24715-1, 25200-1, 25200-2, 25403-1, 25505-1, 26405-1, 26505-1, 27010-1, 27101-1, 27102-1, 27200-1, 27205-1, 27211-1, 27300-1, 27305-1, 27315-1, 27320-1, 27501-1, 27502-1, 27711-1, 27713-1, 27714-1, 27715-1, 27716-1, 27731-1, 27733-1, 27734-1, 27735-1, 27736-1, 27740-2, and 27825-1;”

(3) That paragraph 3.1(5)(b) of the said Act be repealed and the following substituted therefor:

“(b) a substantial portion of the value of the goods, as prescribed by regulations, was produced by the industry of one or more countries referred to in paragraph (a); and”

2. That section 3.7 of the said Act be repealed and the following substituted therefor:

“3.7 Sections 3.1 to 3.6 shall expire on June 30, 1994 or on such earlier day as may be fixed by proclamation.”

3. That section 11 of the said Act be repealed and the following substituted therefor:

“11. The Governor in Council may, by order,

(a) make such reductions of duties on goods imported into Canada from any other country or countries as may be deemed reasonable by way of compensation for concessions granted by any such country or countries; and

(b) extend any reductions made pursuant to paragraph (a) to any other countries as may be required by Canada’s international obligations.”

4. That Schedule A to the said Act be amended by striking out tariff items:

6500-1, 6600-1, 7910-1, 11901-1, 11902-1, 11903-1, 11904-1, 12100-1, 12405-1, 12805-1, 13300-1, 13300-2, 14203-2, 14204-2, 14210-1, 14305-1, 15605-1, 15610-1, 15615-1, 15620-1, 15630-1, 15635-1, 16001-1, 16002-1, 16101-1, 16102-1, 16810-1, 17800-1, 17900-1, 18000-1, 18010-1, 18030-1, 18200-1, 19200-1, 19200-2, 19300-1, 19500-1, 19800-1, 19900-2, 19930-1, 20205-1, 23205-1, 23210-1, 23300-1, 25200-1, 27731-1, 27825-1, 28200-1, 28205-1, 28900-1, 30400-1, 30705-1, 30800-1, 30805-1, 32201-1, 32300-1, 41105-1, 41105-2, 50065-1, 53205-1, 53210-1, 55302-1, 56610-1, 56915-2, 60600-1, 65705-1, 92804-5, 92808-1, 92809-1, 92816-1, 92817-3, 92901-4, 92901-12, 92903-2, 93404-1 and 93819-2

and the enumerations of goods and the rates of duty set opposite each of those items and by inserting in Schedule A to the said Act the items, enumerations of goods and rates of duty specified in Schedule I to this motion.

5. That Schedule A to the said Act be further amended by striking out tariff items:

17310-1, 19230-1, 28100-1, 28105-1, 28110-1, 28220-1, 44544-1, 44545-1, 56400-1, 65800-1, 65805-1, 65820-1, 68200-1, 70310-1, 70311-1, 70312-1 and 70313-1

and the enumerations of goods and the rates of duty set opposite each of those items and by inserting in Schedule A to the said Act the items, enumerations of goods and rates of duty specified in Schedule II to this motion.

6. That Schedule A to the said Act be further amended by striking out tariff items 42700-3 and 42700-6 and the enumerations of goods and the rates of duty set opposite each of those items and by inserting in Schedule A to the said Act the items, enumerations of goods and rates of duty specified in Schedule III to this motion.

7. That the French version of Schedule A to the said Act be amended by striking out the reference to “pouces de circonférence, mesure extérieure” in tariff items 31500-1 and 31505-1 and substituting therefor a reference to “pouces de circonférence *ou de* mesure extérieure”.

8. That the French version of Schedule A to the said Act be further amended by adding, immediately after the reference to “à ciel ouvert” in tariff item 49217-1, a reference to “, et leurs pièces”.

9. That Schedule C to the said Act be amended by repealing paragraph 2 of item 99214-1 and substituting the following therefor:

“2. Any bird of the Starling family (Sturnidae), except the European Starling (*Sturnus vulgaris*) and the Chinese Talking Mynah or Hill Mynah (*Gracula religiosa*);”

10. That any enactment founded on paragraphs 1 to 5 inclusive and 7 to 9 inclusive of this motion shall be deemed to have come into force on the 20th day of April, 1983 and to have been applied to all goods mentioned in the said paragraphs imported or taken out of warehouse for consumption on or after that day, and to have applied to goods previously imported for which no entry for consumption was made before that day.

11. That any enactment founded on paragraph 6 of this motion shall come into force on a day to be fixed by proclamation and shall apply to all goods mentioned in the said paragraph imported or taken out of warehouse for consumption on or after that day, and shall apply to goods previously imported for which no entry for consumption was made before that day.

SCHEDULE I

Tariff Item		British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	General Preferential Tariff	Rates in Effect Prior to Rates Proposed in this Motion			
						B.P. Tariff	M.F.N. Tariff	General Tariff	General Preferential Tariff
6500-1	Biscuits, not sweetened.....	7.5 p.c.	7.5 p.c.	25 p.c.	5 p.c.	7.5 p.c.	7.5 p.c.	25 p.c.	5 p.c.
	on and after January 1, 1985	6.9 p.c.	6.9 p.c.	25 p.c.	4 p.c.	6.9 p.c.	6.9 p.c.	25 p.c.	—
	on and after January 1, 1986	5.9 p.c.	5.9 p.c.	25 p.c.	3.5 p.c.	5.9 p.c.	5.9 p.c.	25 p.c.	—
	on and after January 1, 1987	5 p.c.	5 p.c.	25 p.c.	3 p.c.	5 p.c.	5 p.c.	25 p.c.	—
6600-1	Biscuits, sweetened.....	7.5 p.c.	7.5 p.c.	30 p.c.	5 p.c.	7.5 p.c.	7.5 p.c.	30 p.c.	5 p.c.
	on and after January 1, 1984	7.3 p.c.	7.3 p.c.	30 p.c.	4.5 p.c.	7.3 p.c.	7.3 p.c.	30 p.c.	4.5 p.c.
	on and after January 1, 1985	6.5 p.c.	6.5 p.c.	30 p.c.	4 p.c.	6.5 p.c.	6.5 p.c.	30 p.c.	—
	on and after January 1, 1986	5.8 p.c.	5.8 p.c.	30 p.c.	3.5 p.c.	5.8 p.c.	5.8 p.c.	30 p.c.	—
	on and after January 1, 1987	5 p.c.	5 p.c.	30 p.c.	3 p.c.	5 p.c.	5 p.c.	30 p.c.	—
7910-1	Orchids, natural, cut, whether in designs or bouquets or not	Free	25 p.c.	40 p.c.	Free	Free	25 p.c.	40 p.c.	12.5 p.c.
	Sardines, sprats or pilchards, packed in oil or otherwise, in sealed tin containers, the weight of the tin container to be included in the weight for duty:								
11901-1	When weighing over twenty ounces and not over thirty-six ounces each.....per box	1.50 cts.	1.50 cts.	6 cts.	Free	1.50 cts.	1.50 cts.	6 cts.	—
	on and after January 1, 1984 .....per box	1.44 cts.	1.44 cts.	6 cts.	Free	1.44 cts.	1.44 cts.	6 cts.	—
	on and after January 1, 1985 .....per box	1.38 cts.	1.38 cts.	6 cts.	Free	1.38 cts.	1.38 cts.	6 cts.	—
	on and after January 1, 1986 .....per box	1.31 cts.	1.31 cts.	6 cts.	Free	1.31 cts.	1.31 cts.	6 cts.	—
	on and after January 1, 1987 .....per box	1.25 cts.	1.25 cts.	6 cts.	Free	1.25 cts.	1.25 cts.	6 cts.	—
11902-1	When weighing over twelve ounces and not over twenty ounces each.....per box	1.25 cts.	1.25 cts.	4.5 cts.	Free	1.25 cts.	1.25 cts.	4.5 cts.	—
	on and after January 1, 1984 .....per box	1.19 cts.	1.19 cts.	4.5 cts.	Free	1.19 cts.	1.19 cts.	4.5 cts.	—
	on and after January 1, 1985 .....per box	1.13 cts.	1.13 cts.	4.5 cts.	Free	1.13 cts.	1.13 cts.	4.5 cts.	—
	on and after January 1, 1986 .....per box	1.06 cts.	1.06 cts.	4.5 cts.	Free	1.06 cts.	1.06 cts.	4.5 cts.	—
	on and after January 1, 1987 .....per box	1 ct.	1 ct.	4.5 cts.	Free	1 ct.	1 ct.	4.5 cts.	—

Rates in Effect Prior to Rates
Proposed in this Motion

Tariff Item	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	General Preferential Tariff	B.P. Tariff	M.F.N. Tariff	General Tariff	General Preferential Tariff	
11903-1	When weighing over eight ounces and not over twelve ounces each .....per box	0.84 ct.	0.84 ct.	3.5 cts.	Free	0.84 ct.	0.84 ct.	3.5 cts.	—
	on and after January 1, 1984 .....per box	0.79 ct.	0.79 ct.	3.5 cts.	Free	0.79 ct.	0.79 ct.	3.5 cts.	—
	on and after January 1, 1985 .....per box	0.75 ct.	0.75 ct.	3.5 cts.	Free	0.75 ct.	0.75 ct.	3.5 cts.	—
	on and after January 1, 1986 .....per box	0.71 ct.	0.71 ct.	3.5 cts.	Free	0.71 ct.	0.71 ct.	3.5 cts.	—
	on and after January 1, 1987 .....per box	0.67 ct.	0.67 ct.	3.5 cts.	Free	0.67 ct.	0.67 ct.	3.5 cts.	—
11904-1	When weighing eight ounces each or less ...per box	0.63 ct.	0.63 ct.	2.5 cts.	0.42 ct.	0.63 ct.	0.63 ct.	2.5 cts.	—
	on and after January 1, 1984 .....per box	0.59 ct.	0.59 ct.	2.5 cts.	0.39 ct.	0.59 ct.	0.59 ct.	2.5 cts.	—
	on and after January 1, 1985 .....per box	0.56 ct.	0.56 ct.	2.5 cts.	0.37 ct.	0.56 ct.	0.56 ct.	2.5 cts.	—
	on and after January 1, 1986 .....per box	0.53 ct.	0.53 ct.	2.5 cts.	0.35 ct.	0.53 ct.	0.53 ct.	2.5 cts.	—
	on and after January 1, 1987 .....per box	0.50 ct.	0.50 ct.	2.5 cts.	0.33 ct.	0.50 ct.	0.50 ct.	2.5 cts.	—
12100-1	Fish, packed or preserved in oil or in mixtures containing oil, n.o.p.	15 p.c.	15 p.c.	35 p.c.	10 p.c.	15 p.c.	15 p.c.	35 p.c.	10 p.c.
	on and after January 1, 1986	14.8 p.c.	14.8 p.c.	35 p.c.	9.5 p.c.	14.8 p.c.	14.8 p.c.	35 p.c.	—
	on and after January 1, 1987	14 p.c.	14 p.c.	35 p.c.	9 p.c.	14 p.c.	14 p.c.	35 p.c.	—
12405-1	Shellfish, prepared or preserved, n.o.p.	8.5 p.c.	8.5 p.c.	30 p.c.	5.5 p.c.	8.5 p.c.	8.5 p.c.	30 p.c.	5.5 p.c.
	on and after January 1, 1984	7.9 p.c.	7.9 p.c.	30 p.c.	5 p.c.	7.9 p.c.	7.9 p.c.	30 p.c.	5 p.c.
	on and after January 1, 1985	7.3 p.c.	7.3 p.c.	30 p.c.	4.5 p.c.	7.3 p.c.	7.3 p.c.	30 p.c.	—
	on and after January 1, 1986	6.6 p.c.	6.6 p.c.	30 p.c.	4 p.c.	6.6 p.c.	6.6 p.c.	30 p.c.	—
	on and after January 1, 1987	6 p.c.	6 p.c.	30 p.c.	4 p.c.	6 p.c.	6 p.c.	30 p.c.	—
12805-1	Lobsters, prepared or preserved.....	8.5 p.c.	8.5 p.c.	30 p.c.	5.5 p.c.	8.5 p.c.	8.5 p.c.	30 p.c.	5.5 p.c.
	on and after January 1, 1984	7.9 p.c.	7.9 p.c.	30 p.c.	5 p.c.	7.9 p.c.	7.9 p.c.	30 p.c.	5 p.c.
	on and after January 1, 1985	7.3 p.c.	7.3 p.c.	30 p.c.	4.5 p.c.	7.3 p.c.	7.3 p.c.	30 p.c.	—
	on and after January 1, 1986	6.6 p.c.	6.6 p.c.	30 p.c.	4 p.c.	6.6 p.c.	6.6 p.c.	30 p.c.	—
	on and after January 1, 1987	6 p.c.	6 p.c.	30 p.c.	4 p.c.	6 p.c.	6 p.c.	30 p.c.	—
13300-1	All other articles the produce of the fisheries, n.o.p.	6.5 p.c.	6.5 p.c.	25 p.c.	4 p.c.	6.5 p.c.	6.5 p.c.	25 p.c.	4 p.c.
	on and after January 1, 1984	6.1 p.c.	6.1 p.c.	25 p.c.	4 p.c.	6.1 p.c.	6.1 p.c.	25 p.c.	4 p.c.
	on and after January 1, 1985	5.8 p.c.	5.8 p.c.	25 p.c.	3.5 p.c.	5.8 p.c.	5.8 p.c.	25 p.c.	—
	on and after January 1, 1986	5.4 p.c.	5.4 p.c.	25 p.c.	3.5 p.c.	5.4 p.c.	5.4 p.c.	25 p.c.	—
	on and after January 1, 1987	5 p.c.	5 p.c.	25 p.c.	3 p.c.	5 p.c.	5 p.c.	25 p.c.	—

Tariff Item	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	General Preferential Tariff	Rates in Effect Prior to Rates Proposed in this Motion				
					B.P. Tariff	M.F.N. Tariff	General Tariff	General Preferential Tariff	
13300-2	Caviar, being prepared sturgeon roe	6.5 p.c.	6.5 p.c.	25 p.c.	Free	6.5 p.c.	6.5 p.c.	25 p.c.	Free
	on and after January 1, 1984	6.1 p.c.	6.1 p.c.	25 p.c.	Free	6.1 p.c.	6.1 p.c.	25 p.c.	Free
	on and after January 1, 1985	5.8 p.c.	5.8 p.c.	25 p.c.	Free	5.8 p.c.	5.8 p.c.	25 p.c.	—
	on and after January 1, 1986	5.4 p.c.	5.4 p.c.	25 p.c.	Free	5.4 p.c.	5.4 p.c.	25 p.c.	—
	on and after January 1, 1987	5 p.c.	5 p.c.	25 p.c.	Free	5 p.c.	5 p.c.	25 p.c.	—
	Tobacco, unmanufactured, for excise purposes under conditions of the <i>Excise Act</i> , subject to such regulations as may be prescribed by the Minister:								
	N.o.p.:								
14203-2	Unstemmed, when imported by cigar manufacturers for use exclusively in the manufacture of cigars in their own factories.....per pound	12.5 cts.	12.5 cts.	40 cts.	8.33 cts.	12.5 cts.	12.5 cts.	40 cts.	—
	New Zealand	Free							
14204-2	Stemmed, when imported by cigar manufacturers for use exclusively in the manufacture of cigars in their own factories.....per pound	20 cts.	20 cts.	60 cts.	13.33 cts.	20 cts.	20 cts.	60 cts.	—
	New Zealand	Free							
14210-1	Converted tobacco leaf for use in the manufacture of cigar binders and cigar wrappers	62.5 cts.	62.5 cts.	\$1.05	Free	62.5 cts.	62.5 cts.	\$1.05	—
	on and after January 1, 1984	59.4 cts.	59.4 cts.	\$1.05	Free	59.4 cts.	59.4 cts.	\$1.05	—
	on and after January 1, 1985	56.3 cts.	56.3 cts.	\$1.05	Free	56.3 cts.	56.3 cts.	\$1.05	—
	on and after January 1, 1986	53.1 cts.	53.1 cts.	\$1.05	Free	53.1 cts.	53.1 cts.	\$1.05	—
	on and after January 1, 1987	50 cts.	50 cts.	\$1.05	Free	50 cts.	50 cts.	\$1.05	—
14305-1	Cigars, the weight of the bands and ribbons to be included in the weight for duty.....per pound	\$1.45	\$1.45	\$3.00	96.67 cts.	\$1.45	\$1.45	\$3.00	—
	and	10 p.c.	10 p.c.	20 p.c.	6.5 p.c.	10 p.c.	10 p.c.	20 p.c.	—

Tariff Item		British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	General Preferential Tariff	Rates in Effect Prior to Rates Proposed in this Motion			
						B.P. Tariff	M.F.N. Tariff	General Tariff	General Preferential Tariff
15605-1	Whiskey .....per gallon of the strength of proof on and after January 1, 1984	35 cts.	35 cts.	\$6.00	23.33 cts.	35 cts.	35 cts.	\$6.00	—
	.....per gallon of the strength of proof on and after January 1, 1985	31.3 cts.	31.3 cts.	\$6.00	20.87 cts.	31.3 cts.	31.3 cts.	\$6.00	—
	.....per gallon of the strength of proof on and after January 1, 1986	27.5 cts.	27.5 cts.	\$6.00	18.33 cts.	27.5 cts.	27.5 cts.	\$6.00	—
	.....per gallon of the strength of proof on and after January 1, 1987	23.8 cts.	23.8 cts.	\$6.00	15.87 cts.	23.8 cts.	23.8 cts.	\$6.00	—
	.....per gallon of the strength of proof	20 cts.	20 cts.	\$6.00	13.33 cts.	20 cts.	20 cts.	\$6.00	—
15610-1	Gin .....per gallon of the strength of proof on and after January 1, 1984	35 cts.	35 cts.	\$6.00	23.33 cts.	35 cts.	35 cts.	\$6.00	—
	.....per gallon of the strength of proof on and after January 1, 1985	31.3 cts.	31.3 cts.	\$6.00	20.87 cts.	31.3 cts.	31.3 cts.	\$6.00	—
	.....per gallon of the strength of proof on and after January 1, 1986	27.5 cts.	27.5 cts.	\$6.00	18.33 cts.	27.5 cts.	27.5 cts.	\$6.00	—
	.....per gallon of the strength of proof on and after January 1, 1987	23.8 cts.	23.8 cts.	\$6.00	15.87 cts.	23.8 cts.	23.8 cts.	\$6.00	—
	.....per gallon of the strength of proof	20 cts.	20 cts.	\$6.00	13.33 cts.	20 cts.	20 cts.	\$6.00	—
15615-1	Rum, n.o.p. ....per gallon of the strength of proof on and after January 1, 1984	50 cts.	\$1.50	\$6.00	Free	50 cts.	\$1.50	\$6.00	Free or \$1.50
	.....per gallon of the strength of proof on and after January 1, 1985	50 cts.	\$1.38	\$6.00	Free	50 cts.	\$1.38	\$6.00	Free or \$1.50
	.....per gallon of the strength of proof on and after January 1, 1986	50 cts.	\$1.25	\$6.00	Free	50 cts.	\$1.25	\$6.00	—
	.....per gallon of the strength of proof on and after January 1, 1987	50 cts.	\$1.13	\$6.00	Free	50 cts.	\$1.13	\$6.00	—
	.....per gallon of the strength of proof	50 cts.	\$1.00	\$6.00	Free	50 cts.	\$1.00	\$6.00	—
15620-1	Brandy .....per gallon of the strength of proof on and after January 1, 1984	75 cts.	75 cts.	\$8.00	Free	75 cts.	75 cts.	\$8.00	50 cts.
	.....per gallon of the strength of proof on and after January 1, 1985	68.8 cts.	68.8 cts.	\$8.00	Free	68.8 cts.	68.8 cts.	\$8.00	50 cts.
	.....per gallon of the strength of proof	62.5 cts.	62.5 cts.	\$8.00	Free	62.5 cts.	62.5 cts.	\$8.00	—

Tariff Item		British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	General Preferential Tariff	Rates in Effect Prior to Rates Proposed in this Motion			General Preferential Tariff
						B.P. Tariff	M.F.N. Tariff	General Tariff	
15620-1	on and after January 1, 1986								
(Cont.)	.....per gallon of the strength of proof	56.3 cts.	56.3 cts.	\$8.00	Free	56.3 cts.	56.3 cts.	\$8.00	—
	on and after January 1, 1987								
	.....per gallon of the strength of proof	50 cts.	50 cts.	\$8.00	Free	50 cts.	50 cts.	\$8.00	—
15630-1	Spirituos or alcoholic liquors, n.o.p.; absinthe, arrack or palm spirit, artificial brandy and imitations of brandy, n.o.p.; cordials of all kinds, n.o.p.; mescal, pulque, rum shrub, schiedam and other schnapps; tafia, and alcoholic bitters or beverages, n.o.p.; and wines, n.o.p., containing more than forty per cent of proof spirit								
	.....per gallon of the strength of proof	75 cts.	75 cts.	\$6.00	50 cts.	75 cts.	75 cts.	\$6.00	—
	on and after January 1, 1984								
	.....per gallon of the strength of proof	68.8 cts.	68.8 cts.	\$6.00	45.87 cts.	68.8 cts.	68.8 cts.	\$6.00	—
	on and after January 1, 1985								
	.....per gallon of the strength of proof	62.5 cts.	62.5 cts.	\$6.00	41.67 cts.	62.5 cts.	62.5 cts.	\$6.00	—
	on and after January 1, 1986								
	.....per gallon of the strength of proof	56.3 cts.	56.3 cts.	\$6.00	37.53 cts.	56.3 cts.	56.3 cts.	\$6.00	—
	on and after January 1, 1987								
	.....per gallon of the strength of proof	50 cts.	50 cts.	\$6.00	33.33 cts.	50 cts.	50 cts.	\$6.00	—
15635-1	Vodka								
	.....per gallon of the strength of proof	75 cts.	75 cts.	\$6.00	50 cts.	75 cts.	75 cts.	\$6.00	—
	on and after January 1, 1984								
	.....per gallon of the strength of proof	68.8 cts.	68.8 cts.	\$6.00	45.87 cts.	68.8 cts.	68.8 cts.	\$6.00	—
	on and after January 1, 1985								
	.....per gallon of the strength of proof	62.5 cts.	62.5 cts.	\$6.00	41.67 cts.	62.5 cts.	62.5 cts.	\$6.00	—
	on and after January 1, 1986								
	.....per gallon of the strength of proof	56.3 cts.	56.3 cts.	\$6.00	37.53 cts.	56.3 cts.	56.3 cts.	\$6.00	—
	on and after January 1, 1987								
	.....per gallon of the strength of proof	50 cts.	50 cts.	\$6.00	33.33 cts.	50 cts.	50 cts.	\$6.00	—

Tariff Item		British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	General Preferential Tariff	Rates in Effect Prior to Rates Proposed in this Motion			
						B.P. Tariff	M.F.N. Tariff	General Tariff	General Preferential Tariff
Alcoholic perfumes:									
16001-1	When in bottles or flasks containing not more than four ounces each	15 p.c.	15 p.c.	90 p.c.	Free	15 p.c.	15 p.c.	90 p.c.	10 p.c.
	on and after January 1, 1984	13.8 p.c.	13.8 p.c.	90 p.c.	Free	13.8 p.c.	13.8 p.c.	90 p.c.	9 p.c.
	on and after January 1, 1985	12.5 p.c.	12.5 p.c.	90 p.c.	Free	12.5 p.c.	12.5 p.c.	90 p.c.	—
	on and after January 1, 1986	11.3 p.c.	11.3 p.c.	90 p.c.	Free	11.3 p.c.	11.3 p.c.	90 p.c.	—
	on and after January 1, 1987	10 p.c.	10 p.c.	90 p.c.	Free	10 p.c.	10 p.c.	90 p.c.	—
16002-1	When in bottles, flasks or other packages, containing more than four ounces each .....per gallon	\$4.00	—	\$5.00	Free	\$4.00	—	\$5.00	—
	and	—	15.7 p.c.	40 p.c.	—	—	15.7 p.c.	40 p.c.	10 p.c. (\$4.00/gal. max.)
	on and after January 1, 1984 .....per gallon	\$4.00	—	\$5.00	Free	\$4.00	—	\$5.00	—
	and	—	14.6 p.c.	40 p.c.	—	—	14.6 p.c.	40 p.c.	9.5 p.c.
	on and after January 1, 1985 .....per gallon	\$4.00	—	\$5.00	Free	\$4.00	—	\$5.00	(\$4.00/gal. max.)
	and	—	13.5 p.c.	40 p.c.	—	—	13.5 p.c.	40 p.c.	—
	on and after January 1, 1986 .....per gallon	\$4.00	—	\$5.00	Free	\$4.00	—	\$5.00	—
	and	—	12.4 p.c.	40 p.c.	—	—	12.4 p.c.	40 p.c.	—
	on and after January 1, 1987 .....per gallon	\$4.00	—	\$5.00	Free	\$4.00	—	\$5.00	—
	and	—	11.3 p.c.	40 p.c.	—	—	11.3 p.c.	40 p.c.	—
Perfumed spirits, bay rum, cologne and lavender waters, lotions, hair, tooth and skin washes, and other toilet preparations containing spirits of any kind:									
16101-1	When in bottles or flasks containing not more than four ounces each	15 p.c.	15 p.c.	50 p.c.	Free	15 p.c.	15 p.c.	50 p.c.	10 p.c.
	on and after January 1, 1984	13.8 p.c.	13.8 p.c.	50 p.c.	Free	13.8 p.c.	13.8 p.c.	50 p.c.	9 p.c.
	on and after January 1, 1985	12.5 p.c.	12.5 p.c.	50 p.c.	Free	12.5 p.c.	12.5 p.c.	50 p.c.	—
	on and after January 1, 1986	11.3 p.c.	11.3 p.c.	50 p.c.	Free	11.3 p.c.	11.3 p.c.	50 p.c.	—
	on and after January 1, 1987	10 p.c.	10 p.c.	50 p.c.	Free	10 p.c.	10 p.c.	50 p.c.	—

Tariff Item		British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	General Preferential Tariff	Rates in Effect Prior to Rates Proposed in this Motion			
						B.P. Tariff	M.F.N. Tariff	General Tariff	General Preferential Tariff
16102-1	When in bottles, flasks or other packages, containing more than four ounces each	15 p.c.	15 p.c.	50 p.c.	Free	15 p.c.	15 p.c.	50 p.c.	10 p.c.
	but not more than, per gallon	\$2.00				\$2.00	—	—	\$2.00
	on and after January 1, 1986	14.7 p.c.	14.7 p.c.	50 p.c.	Free	14.7 p.c.	14.7 p.c.	50 p.c.	—
	but not more than, per gallon	\$2.00				\$2.00			
	on and after January 1, 1987	13.2 p.c.	13.2 p.c.	50 p.c.	Free	13.2 p.c.	13.2 p.c.	50 p.c.	—
	but not more than, per gallon	\$2.00				\$2.00			
16810-1	Vinegar	10 p.c.	15 p.c.	25 p.c.	Free	10 p.c.	15 p.c.	25 p.c.	—
17800-1	Advertising and printed matter, viz.: Advertising pamphlets, advertising show cards, illustrated advertising periodicals; price books, catalogues and price lists; advertising almanacs and calendars; patent medicine or other advertising circulars, fly sheets or pamphlets; advertising chromos, chromotypes, oleographs or like work produced by any process other than hand painting or drawing, and having any advertisement or advertising matter printed, lithographed or stamped thereon, or attached thereto, including advertising bills, folders and posters, or other similar artistic work, lithographed, printed or stamped on paper or cardboard for business or advertisement purposes, n.o.p. ....per pound	5 cts.	5 cts.	15 cts.	Free	5 cts.	5 cts.	15 cts.	5 cts.
	but not less than	—	22.5 p.c.	35 p.c.		—	22.5 p.c.	35 p.c.	—
	on and after January 1, 1984	5 cts.	3.75 cts.	15 cts.	Free	5 cts.	3.75 cts.	15 cts.	5 cts.
	but not less than	—	21.9 p.c.	35 p.c.		—	21.9 p.c.	35 p.c.	—
	on and after January 1, 1985	5 cts.	2.50 cts.	15 cts.	Free	5 cts.	2.50 cts.	15 cts.	—
	but not less than	—	21.3 p.c.	35 p.c.		—	21.3 p.c.	35 p.c.	—
	on and after January 1, 1986	5 cts.	1.25 cts.	15 cts.	Free	5 cts.	1.25 cts.	15 cts.	—
	but not less than	—	20.6 p.c.	35 p.c.		—	20.6 p.c.	35 p.c.	—
	on and after January 1, 1987	5 cts.	—	15 cts.	Free	5 cts.	—	15 cts.	—
	but not less than	—	20 p.c.	35 p.c.		—	20 p.c.	35 p.c.	—

Tariff Item	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	General Preferential Tariff	Rates in Effect Prior to Rates Proposed in this Motion			
					B.P. Tariff	M.F.N. Tariff	General Tariff	General Preferential Tariff
17900-1 Labels for cigar boxes, fruits, vegetables, meats, fish, confectionery or other goods or wares; shipping, price or other tags, tickets or labels, and railroad or other tickets, whether lithographed or printed, or partly printed, n.o.p.; the foregoing not including labels of textile fibres or filaments	15.7 p.c.	15.7 p.c.	35 p.c.	Free	15.7 p.c.	15.7 p.c.	35 p.c.	10 p.c.
	on and after January 1, 1984 14.6 p.c.	14.6 p.c.	35 p.c.	Free	14.6 p.c.	14.6 p.c.	35 p.c.	9.5 p.c.
	on and after January 1, 1985 13.5 p.c.	13.5 p.c.	35 p.c.	Free	13.5 p.c.	13.5 p.c.	35 p.c.	—
	on and after January 1, 1986 12.4 p.c.	12.4 p.c.	35 p.c.	Free	12.4 p.c.	12.4 p.c.	35 p.c.	—
	on and after January 1, 1987 11.3 p.c.	11.3 p.c.	35 p.c.	Free	11.3 p.c.	11.3 p.c.	35 p.c.	—
<p>Tickets issued by railway systems in the British Commonwealth (not including railway systems operating in Canada), shall be exempt from customs duty, when produced in countries entitled to the benefits of the British Preferential Tariff.</p>								
18000-1 Photographs, chromos, chromotypes, artotypes, oleographs, paintings, drawings, pictures, engravings or prints or proofs therefrom, and similar works of art, n.o.p.	12.5 p.c.	15.7 p.c.	22.5 p.c.	Free	12.5 p.c.	15.7 p.c.	22.5 p.c.	10 p.c.
	on and after January 1, 1984 12.5 p.c.	14.6 p.c.	22.5 p.c.	Free	12.5 p.c.	14.6 p.c.	22.5 p.c.	9.5 p.c.
	on and after January 1, 1985 12.5 p.c.	13.5 p.c.	22.5 p.c.	Free	12.5 p.c.	13.5 p.c.	22.5 p.c.	—
	on and after January 1, 1986 12.4 p.c.	12.4 p.c.	22.5 p.c.	Free	12.4 p.c.	12.4 p.c.	22.5 p.c.	—
	on and after January 1, 1987 11.3 p.c.	11.3 p.c.	22.5 p.c.	Free	11.3 p.c.	11.3 p.c.	22.5 p.c.	—
18010-1 Decalcomania transfers of all kinds, n.o.p.	12.5 p.c.	13.9 p.c.	22.5 p.c.	Free	12.5 p.c.	13.9 p.c.	22.5 p.c.	9 p.c.
	on and after January 1, 1984 12.5 p.c.	12.9 p.c.	22.5 p.c.	Free	12.5 p.c.	12.9 p.c.	22.5 p.c.	8.5 p.c.
	on and after January 1, 1985 12 p.c.	12 p.c.	22.5 p.c.	Free	12 p.c.	12 p.c.	22.5 p.c.	—
	on and after January 1, 1986 11.1 p.c.	11.1 p.c.	22.5 p.c.	Free	11.1 p.c.	11.1 p.c.	22.5 p.c.	—
	on and after January 1, 1987 10.2 p.c.	10.2 p.c.	22.5 p.c.	Free	10.2 p.c.	10.2 p.c.	22.5 p.c.	—

Tariff Item	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	General Preferential Tariff	Rates in Effect Prior to Rates Proposed in this Motion				
					B.P. Tariff	M.F.N. Tariff	General Tariff	General Preferential Tariff	
18030-1	Plans and drawings, related specifications, any substitute therefor, reproductions of the foregoing, n.o.p.; maps and charts, n.o.p.	12.5 p.c.	13.9 p.c.	27.5 p.c.	Free	12.5 p.c.	13.9 p.c.	27.5 p.c.	9 p.c.
	on and after January 1, 1984	12.5 p.c.	12.9 p.c.	27.5 p.c.	Free	12.5 p.c.	12.9 p.c.	27.5 p.c.	8.5 p.c.
	on and after January 1, 1985	12 p.c.	12 p.c.	27.5 p.c.	Free	12 p.c.	12 p.c.	27.5 p.c.	—
	on and after January 1, 1986	11.1 p.c.	11.1 p.c.	27.5 p.c.	Free	11.1 p.c.	11.1 p.c.	27.5 p.c.	—
	on and after January 1, 1987	10.2 p.c.	10.2 p.c.	27.5 p.c.	Free	10.2 p.c.	10.2 p.c.	27.5 p.c.	—
18200-1	Music for mechanical piano players	5 p.c.	6.5 p.c.	10 p.c.	Free	5 p.c.	6.5 p.c.	10 p.c.	4 p.c.
	on and after January 1, 1984	5 p.c.	6.3 p.c.	10 p.c.	Free	5 p.c.	6.3 p.c.	10 p.c.	4 p.c.
	on and after January 1, 1985	5 p.c.	6 p.c.	10 p.c.	Free	5 p.c.	6 p.c.	10 p.c.	—
	on and after January 1, 1986	5 p.c.	5.8 p.c.	10 p.c.	Free	5 p.c.	5.8 p.c.	10 p.c.	—
	on and after January 1, 1987	5 p.c.	5.5 p.c.	10 p.c.	Free	5 p.c.	5.5 p.c.	10 p.c.	—
	Tarred paper and prepared roofings (including shingles), tiles and lay-in panels for ceilings, fibreboard, strawboard, sheathing and insulation, manufactured wholly or in part of vegetable fibres, n.o.p.; blotting paper, not printed nor illustrated:								
19200-1	Other than the following	12.1 p.c.	12.1 p.c.	35 p.c.	Free	12.1 p.c.	12.1 p.c.	35 p.c.	8 p.c.
	on and after January 1, 1984	11.4 p.c.	11.4 p.c.	35 p.c.	Free	11.4 p.c.	11.4 p.c.	35 p.c.	7.5 p.c.
	on and after January 1, 1985	10.7 p.c.	10.7 p.c.	35 p.c.	Free	10.7 p.c.	10.7 p.c.	35 p.c.	—
	on and after January 1, 1986	9.9 p.c.	9.9 p.c.	35 p.c.	Free	9.9 p.c.	9.9 p.c.	35 p.c.	—
	on and after January 1, 1987	9.2 p.c.	9.2 p.c.	35 p.c.	Free	9.2 p.c.	9.2 p.c.	35 p.c.	—
19200-2	Building papers and building paper felts, whether or not coated or saturated, not cut to size or shape; fibreboard, strawboard, sheathing and insulation, manufactured wholly or in part of vegetable fibres, n.o.p., not cut to size or shape; blotting paper, not cut to size or shape	10.8 p.c.	10.8 p.c.	35 p.c.	Free	10.8 p.c.	10.8 p.c.	35 p.c.	7 p.c.
	on and after January 1, 1984	9.7 p.c.	9.7 p.c.	35 p.c.	Free	9.7 p.c.	9.7 p.c.	35 p.c.	6 p.c.
	on and after January 1, 1985	8.6 p.c.	8.6 p.c.	35 p.c.	Free	8.6 p.c.	8.6 p.c.	35 p.c.	—
	on and after January 1, 1986	7.6 p.c.	7.6 p.c.	35 p.c.	Free	7.6 p.c.	7.6 p.c.	35 p.c.	—
	on and after January 1, 1987	6.5 p.c.	6.5 p.c.	35 p.c.	Free	6.5 p.c.	6.5 p.c.	35 p.c.	—

Tariff Item	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	General Preferential Tariff	Rates in Effect Prior to Rates Proposed in this Motion				
					B.P. Tariff	M.F.N. Tariff	General Tariff	General Preferential Tariff	
19200-5	<i>Tiles and lay-in panels, other than hardboard, for ceilings, n.o.p.</i>	12.1 p.c.	12.1 p.c.	35 p.c.	8 p.c.	12.1 p.c.	12.1 p.c.	35 p.c.	8 p.c.
	on and after January 1, 1984	11.4 p.c.	11.4 p.c.	35 p.c.	7.5 p.c.	11.4 p.c.	11.4 p.c.	35 p.c.	7.5 p.c.
	on and after January 1, 1985	10.7 p.c.	10.7 p.c.	35 p.c.	7 p.c.	10.7 p.c.	10.7 p.c.	35 p.c.	—
	on and after January 1, 1986	9.9 p.c.	9.9 p.c.	35 p.c.	6.5 p.c.	9.9 p.c.	9.9 p.c.	35 p.c.	—
	on and after January 1, 1987	9.2 p.c.	9.2 p.c.	35 p.c.	6 p.c.	9.2 p.c.	9.2 p.c.	35 p.c.	—
19200-6	<i>Tiles and lay-in panels, other than hardboard, for ceilings, not cut to size or shape</i>	10.8 p.c.	10.8 p.c.	35 p.c.	7 p.c.	10.8 p.c.	10.8 p.c.	35 p.c.	7 p.c.
	on and after January 1, 1984	9.7 p.c.	9.7 p.c.	35 p.c.	6 p.c.	9.7 p.c.	9.7 p.c.	35 p.c.	6 p.c.
	on and after January 1, 1985	8.6 p.c.	8.6 p.c.	35 p.c.	5.5 p.c.	8.6 p.c.	8.6 p.c.	35 p.c.	—
	on and after January 1, 1986	7.6 p.c.	7.6 p.c.	35 p.c.	5 p.c.	7.6 p.c.	7.6 p.c.	35 p.c.	—
	on and after January 1, 1987	6.5 p.c.	6.5 p.c.	35 p.c.	4 p.c.	6.5 p.c.	6.5 p.c.	35 p.c.	—
19300-1	Paper sacks or bags of all kinds, printed or not	12.1 p.c.	12.1 p.c.	35 p.c.	Free	12.1 p.c.	12.1 p.c.	35 p.c.	8 p.c.
	on and after January 1, 1984	11.4 p.c.	11.4 p.c.	35 p.c.	Free	11.4 p.c.	11.4 p.c.	35 p.c.	7.5 p.c.
	on and after January 1, 1985	10.7 p.c.	10.7 p.c.	35 p.c.	Free	10.7 p.c.	10.7 p.c.	35 p.c.	—
	on and after January 1, 1986	9.9 p.c.	9.9 p.c.	35 p.c.	Free	9.9 p.c.	9.9 p.c.	35 p.c.	—
	on and after January 1, 1987	9.2 p.c.	9.2 p.c.	35 p.c.	Free	9.2 p.c.	9.2 p.c.	35 p.c.	—
19500-1	Hanging paper, n.o.p., or wall papers, including borders or bordering	11.3 p.c.	11.3 p.c.	35 p.c.	Free	11.3 p.c.	11.3 p.c.	35 p.c.	7 p.c.
	on and after January 1, 1984	10.3 p.c.	10.3 p.c.	35 p.c.	Free	10.3 p.c.	10.3 p.c.	35 p.c.	6.5 p.c.
	on and after January 1, 1985	9.4 p.c.	9.4 p.c.	35 p.c.	Free	9.4 p.c.	9.4 p.c.	35 p.c.	—
	on and after January 1, 1986	8.4 p.c.	8.4 p.c.	35 p.c.	Free	8.4 p.c.	8.4 p.c.	35 p.c.	—
	on and after January 1, 1987	7.5 p.c.	7.5 p.c.	35 p.c.	Free	7.5 p.c.	7.5 p.c.	35 p.c.	—
19800-1	Ruled and border and coated papers, boxed papers, pads not printed, papier-mâché ware, n.o.p.	12.1 p.c.	12.1 p.c.	35 p.c.	Free	12.1 p.c.	12.1 p.c.	35 p.c.	8 p.c.
	on and after January 1, 1984	11.4 p.c.	11.4 p.c.	35 p.c.	Free	11.4 p.c.	11.4 p.c.	35 p.c.	7.5 p.c.
	on and after January 1, 1985	10.7 p.c.	10.7 p.c.	35 p.c.	Free	10.7 p.c.	10.7 p.c.	35 p.c.	—
	on and after January 1, 1986	9.9 p.c.	9.9 p.c.	35 p.c.	Free	9.9 p.c.	9.9 p.c.	35 p.c.	—
	on and after January 1, 1987	9.2 p.c.	9.2 p.c.	35 p.c.	Free	9.2 p.c.	9.2 p.c.	35 p.c.	—

Tariff Item	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	General Preferential Tariff	Rates in Effect Prior to Rates Proposed in this Motion				
					B.P. Tariff	M.F.N. Tariff	General Tariff	General Preferential Tariff	
19900-2	Matches of paper	7.5 p.c.	12.1 p.c.	35 p.c.	Free	7.5 p.c.	12.1 p.c.	35 p.c.	7.5 p.c.
	on and after January 1, 1984	7.5 p.c.	11.4 p.c.	35 p.c.	Free	7.5 p.c.	11.4 p.c.	35 p.c.	7.5 p.c.
	on and after January 1, 1985	7.5 p.c.	10.7 p.c.	35 p.c.	Free	7.5 p.c.	10.7 p.c.	35 p.c.	—
	on and after January 1, 1986	7.5 p.c.	9.9 p.c.	35 p.c.	Free	7.5 p.c.	9.9 p.c.	35 p.c.	—
	on and after January 1, 1987	7.5 p.c.	9.2 p.c.	35 p.c.	Free	7.5 p.c.	9.2 p.c.	35 p.c.	—
	Handmade papers, not to include mould-made deckle-edge papers, valued at not less than 40 cents per pound wholesale:								
19930-1	Not cut to size or shape	10 p.c.	10.5 p.c.	35 p.c.	Free	10 p.c.	10.5 p.c.	35 p.c.	7 p.c.
	on and after January 1, 1984	8.1 p.c.	8.1 p.c.	35 p.c.	Free	8.1 p.c.	8.1 p.c.	35 p.c.	5 p.c.
	on and after January 1, 1985	5.8 p.c.	5.8 p.c.	35 p.c.	Free	5.8 p.c.	5.8 p.c.	35 p.c.	—
	on and after January 1, 1986	3.4 p.c.	3.4 p.c.	35 p.c.	Free	3.4 p.c.	3.4 p.c.	35 p.c.	—
	on and after January 1, 1987	1 p.c.	1 p.c.	35 p.c.	Free	1 p.c.	1 p.c.	35 p.c.	—
20205-1	Twine or yarn of paper	8.4 p.c.	8.4 p.c.	35 p.c.	Free	8.4 p.c.	8.4 p.c.	35 p.c.	5.5 p.c.
	on and after January 1, 1984	8 p.c.	8 p.c.	35 p.c.	Free	8 p.c.	8 p.c.	35 p.c.	5 p.c.
	on and after January 1, 1985	7.6 p.c.	7.6 p.c.	35 p.c.	Free	7.6 p.c.	7.6 p.c.	35 p.c.	—
	on and after January 1, 1986	7.2 p.c.	7.2 p.c.	35 p.c.	Free	7.2 p.c.	7.2 p.c.	35 p.c.	—
	on and after January 1, 1987	6.8 p.c.	6.8 p.c.	35 p.c.	Free	6.8 p.c.	6.8 p.c.	35 p.c.	—
23205-1	Gelatine, n.o.p.	15 p.c.	16.3 p.c.	35 p.c.	Free	15 p.c.	16.3 p.c.	35 p.c.	10.5 p.c.
	on and after January 1, 1984	15 p.c.	15.3 p.c.	35 p.c.	Free	15 p.c.	15.3 p.c.	35 p.c.	10 p.c.
	on and after January 1, 1985	14.4 p.c.	14.4 p.c.	35 p.c.	Free	14.4 p.c.	14.4 p.c.	35 p.c.	—
	on and after January 1, 1986	13.4 p.c.	13.4 p.c.	35 p.c.	Free	13.4 p.c.	13.4 p.c.	35 p.c.	—
	on and after January 1, 1987	12.5 p.c.	12.5 p.c.	35 p.c.	Free	12.5 p.c.	12.5 p.c.	35 p.c.	—
23210-1	Vegetable glue	10 p.c.	16.3 p.c.	35 p.c.	Free	10 p.c.	16.3 p.c.	35 p.c.	10 p.c.
	on and after January 1, 1984	10 p.c.	15.3 p.c.	35 p.c.	Free	10 p.c.	15.3 p.c.	35 p.c.	10 p.c.
	on and after January 1, 1985	10 p.c.	14.4 p.c.	35 p.c.	Free	10 p.c.	14.4 p.c.	35 p.c.	—
	on and after January 1, 1986	10 p.c.	13.4 p.c.	35 p.c.	Free	10 p.c.	13.4 p.c.	35 p.c.	—
	on and after January 1, 1987	10 p.c.	12.5 p.c.	35 p.c.	Free	10 p.c.	12.5 p.c.	35 p.c.	—

Tariff Item		British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	General Preferential Tariff	Rates in Effect Prior to Rates Proposed in this Motion			
						B.P. Tariff	M.F.N. Tariff	General Tariff	General Preferential Tariff
23300-1	Pomades, French or flower odours, preserved in fat or oil for the purpose of conserving the odours of flowers which do not bear the heat of distillation, when imported in tins of not less than ten pounds each	10 p.c.	10.3 p.c.	15 p.c.	Free	10 p.c.	10.3 p.c.	15 p.c.	6.5 p.c.
	on and after January 1, 1984	9.7 p.c.	9.7 p.c.	15 p.c.	Free	9.7 p.c.	9.7 p.c.	15 p.c.	6 p.c.
	on and after January 1, 1985	9.1 p.c.	9.1 p.c.	15 p.c.	Free	9.1 p.c.	9.1 p.c.	15 p.c.	—
	on and after January 1, 1986	8.6 p.c.	8.6 p.c.	15 p.c.	Free	8.6 p.c.	8.6 p.c.	15 p.c.	—
	on and after January 1, 1987	8 p.c.	8 p.c.	15 p.c.	Free	8 p.c.	8 p.c.	15 p.c.	—
25200-1	Shoe blacking; shoemakers' ink; shoe, harness and leather dressing, and knife or other polish or composition, n.o.p.	12.5 p.c.	13.9 p.c.	27.5 p.c.	Free	12.5 p.c.	13.9 p.c.	27.5 p.c.	9 p.c.
	on and after January 1, 1984	12.5 p.c.	12.9 p.c.	27.5 p.c.	Free	12.5 p.c.	12.9 p.c.	27.5 p.c.	8.5 p.c.
	on and after January 1, 1985	12 p.c.	12 p.c.	27.5 p.c.	Free	12 p.c.	12 p.c.	27.5 p.c.	—
	on and after January 1, 1986	11.1 p.c.	11.1 p.c.	27.5 p.c.	Free	11.1 p.c.	11.1 p.c.	27.5 p.c.	—
	on and after January 1, 1987	10.2 p.c.	10.2 p.c.	27.5 p.c.	Free	10.2 p.c.	10.2 p.c.	27.5 p.c.	—
	Vegetable oils, other than crude or crude degummed:								
27731-1	Cocoanut	12.5 p.c.	17.5 p.c.	25 p.c.	Free	12.5 p.c.	17.5 p.c.	25 p.c.	12.5 p.c.
27825-1	Oils, hydrogenated, blown or dehydrated, not including blown or hydrogenated fish, seal or whale oils ...	12.5 p.c.	17.5 p.c.	25 p.c.	Free	12.5 p.c.	17.5 p.c.	25 p.c.	—
28200-1	Building brick and paving brick	7.5 p.c.	7.5 p.c.	22.5 p.c.	Free	7.5 p.c.	7.5 p.c.	22.5 p.c.	5 p.c.
	on and after January 1, 1984	6.9 p.c.	6.9 p.c.	22.5 p.c.	Free	6.9 p.c.	6.9 p.c.	22.5 p.c.	4.5 p.c.
	on and after January 1, 1985	6.3 p.c.	6.3 p.c.	22.5 p.c.	Free	6.3 p.c.	6.3 p.c.	22.5 p.c.	—
	on and after January 1, 1986	5.6 p.c.	5.6 p.c.	22.5 p.c.	Free	5.6 p.c.	5.6 p.c.	22.5 p.c.	—
	on and after January 1, 1987	5 p.c.	5 p.c.	22.5 p.c.	Free	5 p.c.	5 p.c.	22.5 p.c.	—

Tariff Item		British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	General Preferential Tariff	Rates in Effect Prior to Rates Proposed in this Motion			
						B.P. Tariff	M.F.N. Tariff	General Tariff	General Preferential Tariff
28205-1	Manufactures of clay or cement, n.o.p.	10.3 p.c.	10.3 p.c.	22.5 p.c.	Free	10.3 p.c.	10.3 p.c.	22.5 p.c.	6.5 p.c.
	on and after January 1, 1984	9.7 p.c.	9.7 p.c.	22.5 p.c.	Free	9.7 p.c.	9.7 p.c.	22.5 p.c.	6 p.c.
	on and after January 1, 1985	9.1 p.c.	9.1 p.c.	22.5 p.c.	Free	9.1 p.c.	9.1 p.c.	22.5 p.c.	—
	on and after January 1, 1986	8.6 p.c.	8.6 p.c.	22.5 p.c.	Free	8.6 p.c.	8.6 p.c.	22.5 p.c.	—
	on and after January 1, 1987	8 p.c.	8 p.c.	22.5 p.c.	Free	8 p.c.	8 p.c.	22.5 p.c.	—
28900-1	Baths, bathtubs, basins, closets, closet seats and covers, closet tanks, lavatories, urinals, sinks and laundry tubs of earthenware, stone, cement, clay or other material, n.o.p.	12.5 p.c.	15 p.c.	35 p.c.	Free	12.5 p.c.	15 p.c.	35 p.c.	10 p.c.
	on and after January 1, 1984	12.5 p.c.	14.6 p.c.	35 p.c.	Free	12.5 p.c.	14.6 p.c.	35 p.c.	9.5 p.c.
	on and after January 1, 1985	12.5 p.c.	13.5 p.c.	35 p.c.	Free	12.5 p.c.	13.5 p.c.	35 p.c.	—
	on and after January 1, 1986	12.4 p.c.	12.4 p.c.	35 p.c.	Free	12.4 p.c.	12.4 p.c.	35 p.c.	—
	on and after January 1, 1987	11.3 p.c.	11.3 p.c.	35 p.c.	Free	11.3 p.c.	11.3 p.c.	35 p.c.	—
28900-2	Toilet bowls and tanks and combinations thereof of china	12.5 p.c.	15 p.c.	35 p.c.	10 p.c.	12.5 p.c.	15 p.c.	35 p.c.	10 p.c.
	on and after January 1, 1984	12.5 p.c.	14.6 p.c.	35 p.c.	9.5 p.c.	12.5 p.c.	14.6 p.c.	35 p.c.	9.5 p.c.
	on and after January 1, 1985	12.5 p.c.	13.5 p.c.	35 p.c.	9 p.c.	12.5 p.c.	13.5 p.c.	35 p.c.	—
	on and after January 1, 1986	12.4 p.c.	12.4 p.c.	35 p.c.	8 p.c.	12.4 p.c.	12.4 p.c.	35 p.c.	—
	on and after January 1, 1987	11.3 p.c.	11.3 p.c.	35 p.c.	7.5 p.c.	11.3 p.c.	11.3 p.c.	35 p.c.	—
30400-1	Grindstones, mounted or not, n.o.p.	13.9 p.c.	13.9 p.c.	25 p.c.	Free	13.9 p.c.	13.9 p.c.	25 p.c.	9 p.c.
	on and after January 1, 1984	12.9 p.c.	12.9 p.c.	25 p.c.	Free	12.9 p.c.	12.9 p.c.	25 p.c.	8.5 p.c.
	on and after January 1, 1985	12 p.c.	12 p.c.	25 p.c.	Free	12 p.c.	12 p.c.	25 p.c.	—
	on and after January 1, 1986	11.1 p.c.	11.1 p.c.	25 p.c.	Free	11.1 p.c.	11.1 p.c.	25 p.c.	—
	on and after January 1, 1987	10.2 p.c.	10.2 p.c.	25 p.c.	Free	10.2 p.c.	10.2 p.c.	25 p.c.	—
30705-1	Manufactures of marble, n.o.p.	11.1 p.c.	11.1 p.c.	40 p.c.	Free	11.1 p.c.	11.1 p.c.	40 p.c.	7 p.c.
	on and after January 1, 1986	10.1 p.c.	10.1 p.c.	40 p.c.	Free	10.1 p.c.	10.1 p.c.	40 p.c.	—
	on and after January 1, 1987	9 p.c.	9 p.c.	40 p.c.	Free	9 p.c.	9 p.c.	40 p.c.	—
30800-1	Manufactures of stone, n.o.p.	15 p.c.	15 p.c.	35 p.c.	Free	15 p.c.	15 p.c.	35 p.c.	10 p.c.
	on and after January 1, 1984	14.4 p.c.	14.4 p.c.	35 p.c.	Free	14.4 p.c.	14.4 p.c.	35 p.c.	9.5 p.c.
	on and after January 1, 1985	13.8 p.c.	13.8 p.c.	35 p.c.	Free	13.8 p.c.	13.8 p.c.	35 p.c.	—

Rates in Effect Prior to Rates
Proposed in this Motion

Tariff Item		British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	General Preferential Tariff	Rates in Effect Prior to Rates Proposed in this Motion			
						B.P. Tariff	M.F.N. Tariff	General Tariff	General Preferential Tariff
30800-1 (Cont.)	on and after January 1, 1986	13.1 p.c.	13.1 p.c.	35 p.c.	Free	13.1 p.c.	13.1 p.c.	35 p.c.	—
	on and after January 1, 1987	12.5 p.c.	12.5 p.c.	35 p.c.	Free	12.5 p.c.	12.5 p.c.	35 p.c.	—
30805-1	Manufactures of alabaster, n.o.p.	13.9 p.c.	13.9 p.c.	35 p.c.	Free	13.9 p.c.	13.9 p.c.	35 p.c.	9 p.c.
	on and after January 1, 1984	12.9 p.c.	12.9 p.c.	35 p.c.	Free	12.9 p.c.	12.9 p.c.	35 p.c.	8.5 p.c.
	on and after January 1, 1985	12 p.c.	12 p.c.	35 p.c.	Free	12 p.c.	12 p.c.	35 p.c.	—
	on and after January 1, 1986	11.1 p.c.	11.1 p.c.	35 p.c.	Free	11.1 p.c.	11.1 p.c.	35 p.c.	—
	on and after January 1, 1987	10.2 p.c.	10.2 p.c.	35 p.c.	Free	10.2 p.c.	10.2 p.c.	35 p.c.	—
	Laminated glass, of sheet glass, plate glass or float glass, or combinations thereof:								
32201-1	Not further processed than cut in rectangles	5 p.c.	10.3 p.c.	22.5 p.c.	Free	5 p.c.	10.3 p.c.	22.5 p.c.	5 p.c.
	on and after January 1, 1984	5 p.c.	9.7 p.c.	22.5 p.c.	Free	5 p.c.	9.7 p.c.	22.5 p.c.	5 p.c.
	on and after January 1, 1985	5 p.c.	9.1 p.c.	22.5 p.c.	Free	5 p.c.	9.1 p.c.	22.5 p.c.	—
	on and after January 1, 1986	5 p.c.	8.6 p.c.	22.5 p.c.	Free	5 p.c.	8.6 p.c.	22.5 p.c.	—
	on and after January 1, 1987	5 p.c.	8 p.c.	22.5 p.c.	Free	5 p.c.	8 p.c.	22.5 p.c.	—
32300-1	Manufactures of laminated glass, n.o.p.	15.7 p.c.	15.7 p.c.	35 p.c.	Free	15.7 p.c.	15.7 p.c.	35 p.c.	10 p.c.
	on and after January 1, 1984	14.6 p.c.	14.6 p.c.	35 p.c.	Free	14.6 p.c.	14.6 p.c.	35 p.c.	9.5 p.c.
	on and after January 1, 1985	13.5 p.c.	13.5 p.c.	35 p.c.	Free	13.5 p.c.	13.5 p.c.	35 p.c.	—
	on and after January 1, 1986	12.4 p.c.	12.4 p.c.	35 p.c.	Free	12.4 p.c.	12.4 p.c.	35 p.c.	—
	on and after January 1, 1987	11.3 p.c.	11.3 p.c.	35 p.c.	Free	11.3 p.c.	11.3 p.c.	35 p.c.	—
41105-1	Self-propelled trucks, not including machines for felling, skidding, piling, loading, bunching or processing trees or logs, which have been modified for carrying a load; parts of all the foregoing; all the foregoing for use exclusively in the operation of logging, such operation to include the removal of the log from stump to skidway, log dump, or common or other carrier	10 p.c.	10.9 p.c.	20 p.c.	Free	10 p.c.	10.9 p.c.	20 p.c.	7 p.c.
	on and after January 1, 1984	10 p.c.	10.4 p.c.	20 p.c.	Free	10 p.c.	10.4 p.c.	20 p.c.	6.5 p.c.
	on and after January 1, 1985	10 p.c.	10 p.c.	20 p.c.	Free	10 p.c.	10 p.c.	20 p.c.	—
	on and after January 1, 1986	9.6 p.c.	9.6 p.c.	20 p.c.	Free	9.6 p.c.	9.6 p.c.	20 p.c.	—
	on and after January 1, 1987	9.2 p.c.	9.2 p.c.	20 p.c.	Free	9.2 p.c.	9.2 p.c.	20 p.c.	—

Tariff Item	British- Prefer- ential Tariff	Most- Favoured- Nation Tariff	General Tariff	General Prefer- ential Tariff	Rates in Effect Prior to Rates Proposed in this Motion				
					B.P. Tariff	M.F.N. Tariff	General Tariff	General Prefer- ential Tariff	
41105-2	Logging cars; captive balloons; blocks and tackle; parts of all the foregoing; all the foregoing for use exclusively in the operation of logging, such operation to include the removal of the log from stump to skidway, log dump, or common or other carrier	10 p.c.	10.3 p.c.	20 p.c.	Free	10 p.c.	10.3 p.c.	20 p.c.	6.5 p.c.
	on and after January 1, 1984	9.7 p.c.	9.7 p.c.	20 p.c.	Free	9.7 p.c.	9.7 p.c.	20 p.c.	6 p.c.
	on and after January 1, 1985	9.1 p.c.	9.1 p.c.	20 p.c.	Free	9.1 p.c.	9.1 p.c.	20 p.c.	—
	on and after January 1, 1986	8.6 p.c.	8.6 p.c.	20 p.c.	Free	8.6 p.c.	8.6 p.c.	20 p.c.	—
	on and after January 1, 1987	8 p.c.	8 p.c.	20 p.c.	Free	8 p.c.	8 p.c.	20 p.c.	—
41105-3	Wire rope, not including wire rope to be used for guy ropes or in braking logs going down grade, for use exclusively in the operation of logging, such operation to include the removal of the log from stump to skidway, log dump, or common or other carrier	10 p.c.	10.3 p.c.	20 p.c.	6.5 p.c.	10 p.c.	10.3 p.c.	20 p.c.	6.5 p.c.
	on and after January 1, 1984	9.7 p.c.	9.7 p.c.	20 p.c.	6 p.c.	9.7 p.c.	9.7 p.c.	20 p.c.	6 p.c.
	on and after January 1, 1985	9.1 p.c.	9.1 p.c.	20 p.c.	6 p.c.	9.1 p.c.	9.1 p.c.	20 p.c.	—
	on and after January 1, 1986	8.6 p.c.	8.6 p.c.	20 p.c.	5.5 p.c.	8.6 p.c.	8.6 p.c.	20 p.c.	—
	on and after January 1, 1987	8 p.c.	8 p.c.	20 p.c.	5 p.c.	8 p.c.	8 p.c.	20 p.c.	—
50065-1	Flooring tiles made of individual strips of wood joined together	6.5 p.c.	6.5 p.c.	25 p.c.	Free	6.5 p.c.	6.5 p.c.	25 p.c.	4 p.c.
	on and after January 1, 1984	6.3 p.c.	6.3 p.c.	25 p.c.	Free	6.3 p.c.	6.3 p.c.	25 p.c.	4 p.c.
	on and after January 1, 1985	6 p.c.	6 p.c.	25 p.c.	Free	6 p.c.	6 p.c.	25 p.c.	—
	on and after January 1, 1986	5.8 p.c.	5.8 p.c.	25 p.c.	Free	5.8 p.c.	5.8 p.c.	25 p.c.	—
	on and after January 1, 1987	5.5 p.c.	5.5 p.c.	25 p.c.	Free	5.5 p.c.	5.5 p.c.	25 p.c.	—
53205-1	Woven fabrics composed wholly or in part of yarns of wool or hair, n.o.p.	18 p.c.	25 p.c.	40 p.c.	16.5 p.c.	18 p.c.	25 p.c.	40 p.c.	16.5 p.c.
	and, per pound	12 cts.	16.7 cts.	40 cts.	11.1 cts.	12 cts.	16.7 cts.	40 cts.	11.1 cts.
	The total duty leviable shall not be in excess of ...								
	.....per pound	60 cts.	—	—	—	60 cts.	—	—	—
	on and after January 1, 1984	18 p.c.	25 p.c.	40 p.c.	16.5 p.c.	18 p.c.	25 p.c.	40 p.c.	16.5 p.c.
	and, per pound	9 cts.	12.5 cts.	40 cts.	8.3 cts.	9 cts.	12.5 cts.	40 cts.	8.3 cts.

Rates in Effect Prior to Rates
Proposed in this Motion

Tariff Item		British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	General Preferential Tariff	Rates in Effect Prior to Rates Proposed in this Motion			General Preferential Tariff
						B.P. Tariff	M.F.N. Tariff	General Tariff	
53205-1 (Cont.)	The total duty leviable shall not be in excess of ...								
	.....per pound	60 cts.	—	—	—	60 cts.	—	—	—
	on and after January 1, 1985	18 p.c.	25 p.c.	40 p.c.	16.5 p.c.	18 p.c.	25 p.c.	40 p.c.	—
	and, per pound	6 cts.	8.3 cts.	40 cts.	5.5 cts.	6 cts.	8.3 cts.	40 cts.	—
	The total duty leviable shall not be in excess of ...								
	.....per pound	60 cts.	—	—	—	60 cts.	—	—	—
	on and after January 1, 1986	18 p.c.	25 p.c.	40 p.c.	16.5 p.c.	18 p.c.	25 p.c.	40 p.c.	—
	and, per pound	3 cts.	4.2 cts.	40 cts.	2.8 cts.	3 cts.	4.2 cts.	40 cts.	—
	The total duty leviable shall not be in excess of ...								
	.....per pound	60 cts.	—	—	—	60 cts.	—	—	—
on and after January 1, 1987	18 p.c.	25 p.c.	40 p.c.	16.5 p.c.	18 p.c.	25 p.c.	40 p.c.	—	
and, per pound	—	—	40 cts.	—	—	—	40 cts.	—	
The total duty leviable shall not be in excess of ...									
.....per pound	60 cts.	—	—	—	60 cts.	—	—	—	
53210-1	Woven fabrics composed wholly or in part of yarns of wool or hair and weighing not less than twelve ounces to the square yard.....	18 p.c.	25 p.c.	40 p.c.	16.5 p.c.	18 p.c.	25 p.c.	40 p.c.	16.5 p.c.
	and, per pound	9 cts.	16.7 cts.	40 cts.	11.1 cts.	9 cts.	16.7 cts.	40 cts.	11.1 cts.
	The total duty leviable shall not be in excess of ...								
	.....per pound	55 cts.	—	—	—	55 cts.	—	—	—
	on and after January 1, 1984	18 p.c.	25 p.c.	40 p.c.	16.5 p.c.	18 p.c.	25 p.c.	40 p.c.	16.5 p.c.
	and, per pound	6.8 cts.	12.5 cts.	40 cts.	8.3 cts.	6.8 cts.	12.5 cts.	40 cts.	8.3 cts.
	The total duty leviable shall not be in excess of ...								
	.....per pound	55 cts.	—	—	—	55 cts.	—	—	—
	on and after January 1, 1985	18 p.c.	25 p.c.	40 p.c.	16.5 p.c.	18 p.c.	25 p.c.	40 p.c.	—
	and, per pound	4.5 cts.	8.3 cts.	40 cts.	5.5 cts.	4.5 cts.	8.3 cts.	40 cts.	—
The total duty leviable shall not be in excess of ...									
.....per pound	55 cts.	—	—	—	55 cts.	—	—	—	
on and after January 1, 1986	18 p.c.	25 p.c.	40 p.c.	16.5 p.c.	18 p.c.	25 p.c.	40 p.c.	—	
and, per pound	2.3 cts.	4.2 cts.	40 cts.	2.8 cts.	2.3 cts.	4.2 cts.	40 cts.	—	
The total duty leviable shall not be in excess of ...									
.....per pound	55 cts.	—	—	—	55 cts.	—	—	—	
on and after January 1, 1987	18 p.c.	25 p.c.	40 p.c.	16.5 p.c.	18 p.c.	25 p.c.	40 p.c.	—	
and, per pound	—	—	40 cts.	—	—	—	40 cts.	—	

Tariff Item		British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	General Preferential Tariff	Rates in Effect Prior to Rates Proposed in this Motion			
						B.P. Tariff	M.F.N. Tariff	General Tariff	General Preferential Tariff
53210-1 (Cont.)	The total duty leviable shall not be in excess of ........per pound	55 cts.	—	—	—	55 cts.	—	—	—
	The following, when the textile component thereof is more than fifty per cent, by weight, of silk:								
55302-1	Headsquares, scarves or mufflers, made from woven fabrics.....	15 p.c.	15 p.c.	45 p.c.	10 p.c.	15 p.c.	15 p.c.	45 p.c.	10 p.c.
	on and after January 1, 1986	13.8 p.c.	13.8 p.c.	45 p.c.	9 p.c.	13.8 p.c.	13.8 p.c.	45 p.c.	—
	on and after January 1, 1987	12.5 p.c.	12.5 p.c.	45 p.c.	8 p.c.	12.5 p.c.	12.5 p.c.	45 p.c.	—
	Lace and netting, other than woven, bobbinet, embroideries, n.o.p.:								
56610-1	Wholly of vegetable fibres	10 p.c.	11.7 p.c.	25 p.c.	7.5 p.c.	10 p.c.	11.7 p.c.	25 p.c.	7.5 p.c.
	on and after January 1, 1984	10 p.c.	11.3 p.c.	25 p.c.	7.5 p.c.	10 p.c.	11.3 p.c.	25 p.c.	7.5 p.c.
	on and after January 1, 1985	10 p.c.	10.8 p.c.	25 p.c.	7 p.c.	10 p.c.	10.8 p.c.	25 p.c.	—
	on and after January 1, 1986	10 p.c.	10.4 p.c.	25 p.c.	6.5 p.c.	10 p.c.	10.4 p.c.	25 p.c.	—
	on and after January 1, 1987	10 p.c.	10 p.c.	25 p.c.	6.5 p.c.	10 p.c.	10 p.c.	25 p.c.	—
56915-2	Bamboo and pandan hats, untrimmed, n.o.p.	18 p.c.	22.5 p.c.	45 p.c.	Free	18 p.c.	22.5 p.c.	45 p.c.	Free
	on and after January 1, 1984	18 p.c.	21.9 p.c.	45 p.c.	Free	18 p.c.	21.9 p.c.	45 p.c.	Free
	on and after January 1, 1985	18 p.c.	21.3 p.c.	45 p.c.	Free	18 p.c.	21.3 p.c.	45 p.c.	—
	on and after January 1, 1986	18 p.c.	20.6 p.c.	45 p.c.	Free	18 p.c.	20.6 p.c.	45 p.c.	—
	on and after January 1, 1987	18 p.c.	20 p.c.	45 p.c.	Free	18 p.c.	20 p.c.	45 p.c.	—
60600-1	Leather produced from East India tanned kip, n.o.p. ...	15.7 p.c.	15.7 p.c.	27.5 p.c.	Free	15.7 p.c.	15.7 p.c.	27.5 p.c.	10 p.c.
	on and after January 1, 1984	14.6 p.c.	14.6 p.c.	27.5 p.c.	Free	14.6 p.c.	14.6 p.c.	27.5 p.c.	9.5 p.c.
	on and after January 1, 1985	13.5 p.c.	13.5 p.c.	27.5 p.c.	Free	13.5 p.c.	13.5 p.c.	27.5 p.c.	—
	on and after January 1, 1986	12.4 p.c.	12.4 p.c.	27.5 p.c.	Free	12.4 p.c.	12.4 p.c.	27.5 p.c.	—
	on and after January 1, 1987	11.3 p.c.	11.3 p.c.	27.5 p.c.	Free	11.3 p.c.	11.3 p.c.	27.5 p.c.	—

Tariff Item		British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	General Preferential Tariff	Rates in Effect Prior to Rates Proposed in this Motion			
						B.P. Tariff	M.F.N. Tariff	General Tariff	General Preferential Tariff
	Cinematograph or moving picture films, positives, n.o.p.:								
65705-1	One and one-eighth of an inch in width and over.....								
	.....per linear foot	1.2 cts.	1.2 cts.	3 cts.	Free	1.2 cts.	1.2 cts.	3 cts.	0.8 ct.
	on and after January 1, 1984.....per linear foot	1.1 cts.	1.1 cts.	3 cts.	Free	1.1 cts.	1.1 cts.	3 cts.	0.7 ct.
	on and after January 1, 1986.....per linear foot	1 ct.	1 ct.	3 cts.	Free	1 ct.	1 ct.	3 cts.	—
	on and after January 1, 1987.....per linear foot	0.9 ct.	0.9 ct.	3 cts.	Free	0.9 ct.	0.9 ct.	3 cts.	—
	92804—Hydrogen, rare gases and other non-metals:								
92804-5	Tellurium.....	5 p.c.	10 p.c.	15 p.c.	Free	5 p.c.	10 p.c.	15 p.c.	5 p.c.
	on and after January 1, 1986	5 p.c.	9.9 p.c.	15 p.c.	Free	5 p.c.	9.9 p.c.	15 p.c.	—
	on and after January 1, 1987	5 p.c.	9.2 p.c.	15 p.c.	Free	5 p.c.	9.2 p.c.	15 p.c.	—
92808-1	92808—Sulphuric acid; oleum.....	7.5 p.c.	7.5 p.c.	25 p.c.	Free	7.5 p.c.	7.5 p.c.	25 p.c.	5 p.c.
	on and after January 1, 1984	5.6 p.c.	5.6 p.c.	25 p.c.	Free	5.6 p.c.	5.6 p.c.	25 p.c.	3.5 p.c.
	on and after January 1, 1985	3.8 p.c.	3.8 p.c.	25 p.c.	Free	3.8 p.c.	3.8 p.c.	25 p.c.	—
	on and after January 1, 1986	1.9 p.c.	1.9 p.c.	25 p.c.	Free	1.9 p.c.	1.9 p.c.	25 p.c.	—
	on and after January 1, 1987	Free	Free	25 p.c.	Free	Free	Free	25 p.c.	—
92809-1	92809—Nitric acid; sulphonitric acids.....	7.5 p.c.	7.5 p.c.	25 p.c.	Free	7.5 p.c.	7.5 p.c.	25 p.c.	5 p.c.
	on and after January 1, 1984	5.6 p.c.	5.6 p.c.	25 p.c.	Free	5.6 p.c.	5.6 p.c.	25 p.c.	3.5 p.c.
	on and after January 1, 1985	3.8 p.c.	3.8 p.c.	25 p.c.	Free	3.8 p.c.	3.8 p.c.	25 p.c.	—
	on and after January 1, 1986	1.9 p.c.	1.9 p.c.	25 p.c.	Free	1.9 p.c.	1.9 p.c.	25 p.c.	—
	on and after January 1, 1987	Free	Free	25 p.c.	Free	Free	Free	25 p.c.	—
92816-1	92816—Ammonia, anhydrous or in aqueous solution	5 p.c.	5 p.c.	25 p.c.	Free	5 p.c.	5 p.c.	25 p.c.	3 p.c.
	on and after January 1, 1984	3.8 p.c.	3.8 p.c.	25 p.c.	Free	3.8 p.c.	3.8 p.c.	25 p.c.	2.5 p.c.
	on and after January 1, 1985	2.5 p.c.	2.5 p.c.	25 p.c.	Free	2.5 p.c.	2.5 p.c.	25 p.c.	—
	on and after January 1, 1986	1.3 p.c.	1.3 p.c.	25 p.c.	Free	1.3 p.c.	1.3 p.c.	25 p.c.	—
	on and after January 1, 1987	Free	Free	25 p.c.	Free	Free	Free	25 p.c.	—

Tariff Item	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	General Preferential Tariff	Rates in Effect Prior to Rates Proposed in this Motion				
					B.P. Tariff	M.F.N. Tariff	General Tariff	General Preferential Tariff	
92817—Sodium hydroxide (caustic soda); potassium hydroxide (caustic potash); peroxides of sodium or potassium:									
92817-3	Sodium hydroxide (caustic soda).....	7.5 p.c.	7.5 p.c.	25 p.c.	Free	7.5 p.c.	7.5 p.c.	25 p.c.	5 p.c.
	on and after January 1, 1984	5.6 p.c.	5.6 p.c.	25 p.c.	Free	5.6 p.c.	5.6 p.c.	25 p.c.	3.5 p.c.
	on and after January 1, 1985	3.8 p.c.	3.8 p.c.	25 p.c.	Free	3.8 p.c.	3.8 p.c.	25 p.c.	—
	on and after January 1, 1986	1.9 p.c.	1.9 p.c.	25 p.c.	Free	1.9 p.c.	1.9 p.c.	25 p.c.	—
	on and after January 1, 1987	Free	Free	25 p.c.	Free	Free	Free	25 p.c.	—
92901—Hydrocarbons:									
92901-4	Butanes.....	7.5 p.c.	7.5 p.c.	25 p.c.	Free	7.5 p.c.	7.5 p.c.	25 p.c.	5 p.c.
	on and after January 1, 1984	5.6 p.c.	5.6 p.c.	25 p.c.	Free	5.6 p.c.	5.6 p.c.	25 p.c.	3.5 p.c.
	on and after January 1, 1985	3.8 p.c.	3.8 p.c.	25 p.c.	Free	3.8 p.c.	3.8 p.c.	25 p.c.	—
	on and after January 1, 1986	1.9 p.c.	1.9 p.c.	25 p.c.	Free	1.9 p.c.	1.9 p.c.	25 p.c.	—
	on and after January 1, 1987	Free	Free	25 p.c.	Free	Free	Free	25 p.c.	—
92901-12	Propane.....	7.5 p.c.	7.5 p.c.	25 p.c.	Free	7.5 p.c.	7.5 p.c.	25 p.c.	5 p.c.
	on and after January 1, 1984	5.6 p.c.	5.6 p.c.	25 p.c.	Free	5.6 p.c.	5.6 p.c.	25 p.c.	3.5 p.c.
	on and after January 1, 1985	3.8 p.c.	3.8 p.c.	25 p.c.	Free	3.8 p.c.	3.8 p.c.	25 p.c.	—
	on and after January 1, 1986	1.9 p.c.	1.9 p.c.	25 p.c.	Free	1.9 p.c.	1.9 p.c.	25 p.c.	—
	on and after January 1, 1987	Free	Free	25 p.c.	Free	Free	Free	25 p.c.	—
92903—Sulphonated, nitrated or nitrosated derivatives of hydrocarbons:									
92903-2	Trinitrotoluene (TNT).....	7.5 p.c.	7.5 p.c.	25 p.c.	Free	7.5 p.c.	7.5 p.c.	25 p.c.	5 p.c.
	on and after January 1, 1984	5.6 p.c.	5.6 p.c.	25 p.c.	Free	5.6 p.c.	5.6 p.c.	25 p.c.	3.5 p.c.
	on and after January 1, 1985	3.8 p.c.	3.8 p.c.	25 p.c.	Free	3.8 p.c.	3.8 p.c.	25 p.c.	—
	on and after January 1, 1986	1.9 p.c.	1.9 p.c.	25 p.c.	Free	1.9 p.c.	1.9 p.c.	25 p.c.	—
	on and after January 1, 1987	Free	Free	25 p.c.	Free	Free	Free	25 p.c.	—

Tariff Item	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	General Preferential Tariff	Rates in Effect Prior to Rates Proposed in this Motion				
					B.P. Tariff	M.F.N. Tariff	General Tariff	General Preferential Tariff	
93404—Synthetic wax; waxes containing synthetic wax:									
93404-1	Other than the following	8.4 p.c.	8.4 p.c.	25 p.c.	Free	8.4 p.c.	8.4 p.c.	25 p.c.	5.5 p.c.
	on and after January 1, 1984	8 p.c.	8 p.c.	25 p.c.	Free	8 p.c.	8 p.c.	25 p.c.	5 p.c.
	on and after January 1, 1985	7.6 p.c.	7.6 p.c.	25 p.c.	Free	7.6 p.c.	7.6 p.c.	25 p.c.	—
	on and after January 1, 1986	7.2 p.c.	7.2 p.c.	25 p.c.	Free	7.2 p.c.	7.2 p.c.	25 p.c.	—
	on and after January 1, 1987	6.8 p.c.	6.8 p.c.	25 p.c.	Free	6.8 p.c.	6.8 p.c.	25 p.c.	—
93404-6	12-Hydroxystearic acid; waxes containing 12-hydroxystearic acid	8.4 p.c.	8.4 p.c.	25 p.c.	5.5 p.c.	8.4 p.c.	8.4 p.c.	25 p.c.	5.5 p.c.
	on and after January 1, 1984	8 p.c.	8 p.c.	25 p.c.	5 p.c.	8 p.c.	8 p.c.	25 p.c.	5 p.c.
	on and after January 1, 1985	7.6 p.c.	7.6 p.c.	25 p.c.	5 p.c.	7.6 p.c.	7.6 p.c.	25 p.c.	—
	on and after January 1, 1986	7.2 p.c.	7.2 p.c.	25 p.c.	4.5 p.c.	7.2 p.c.	7.2 p.c.	25 p.c.	—
	on and after January 1, 1987	6.8 p.c.	6.8 p.c.	25 p.c.	4.5 p.c.	6.8 p.c.	6.8 p.c.	25 p.c.	—
93819—Chemical products, and preparations of the chemical or allied industries (not including those consisting of mixtures of natural products other than compounded extenders for paints), n.o.p.; residual products of the chemical or allied industries, n.o.p.; not including soap, nor pharmaceutical, flavouring, perfumery, cosmetic or toilet preparations:									
93819-2	Alkyl aryl hydrocarbons, unsulphonated reaction blends	5 p.c.	7.5 p.c.	25 p.c.	Free	5 p.c.	7.5 p.c.	25 p.c.	5 p.c.
	on and after January 1, 1984	5 p.c.	5.6 p.c.	25 p.c.	Free	5 p.c.	5.6 p.c.	25 p.c.	3.5 p.c.
	on and after January 1, 1985	3.8 p.c.	3.8 p.c.	25 p.c.	Free	3.8 p.c.	3.8 p.c.	25 p.c.	—
	on and after January 1, 1986	1.9 p.c.	1.9 p.c.	25 p.c.	Free	1.9 p.c.	1.9 p.c.	25 p.c.	—
	on and after January 1, 1987	Free	Free	25 p.c.	Free	Free	Free	25 p.c.	—

SCHEDULE II

Tariff Item	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	General Preferential Tariff	Rates in Effect Prior to Rates Proposed in this Motion			
					B.P. Tariff	M.F.N. Tariff	General Tariff	General Preferential Tariff
9905-1	<i>Banana chips, n.o.p., consisting of thin banana slices fried or otherwise prepared, whether or not salted, sweetened or otherwise flavoured</i>				15 p.c.	17.5 p.c.	25 p.c.	11.5 p.c.
17310-1	<i>Printed books, pamphlets, cards and sheets for use in aptitude, personality, intelligence and similar tests, not including tests of knowledge; other articles and materials specially designed for use with such printed books, pamphlets, cards and sheets; cards for use in the teaching of reading or arithmetic</i>				Free	Free	Free	Free
19230-1	<i>Gasket stock, wholly or in part of vegetable materials, coated or impregnated, in slabs, blocks, bales, sheets or rolls, for use in the manufacture of gaskets or other sealing articles and materials including washers and strips</i>				Free	Free	Free	Free
	<i>Rigid refractories (firebrick) of any shape, size or composition:</i>							
28100-1	<i>Other than the following</i>				Free	Free	15 p.c.	Free
					Free	Free	Free	Free
					5 p.c.	8.4 p.c.	22.5 p.c.	5 p.c.
28101-1	<i>Products containing not less than 85 per cent, by weight, of carbon or graphite</i>				5 p.c.	8.4 p.c.	22.5 p.c.	5 p.c.
					5 p.c.	8.4 p.c.	22.5 p.c.	5 p.c.
					5 p.c.	7.6 p.c.	22.5 p.c.	5 p.c.
					5 p.c.	7.2 p.c.	22.5 p.c.	4.5 p.c.
					5 p.c.	6.8 p.c.	22.5 p.c.	4.5 p.c.

Tariff Item	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	General Preferential Tariff	Rates in Effect Prior to Rates Proposed in this Motion				
					B.P. Tariff	M.F.N. Tariff	General Tariff	General Preferential Tariff	
28115-1 <i>Refractory or heat insulating materials, namely: mortars, ramming and gunning mixes, plastic materials and castables; all the foregoing for use in the construction or repair of furnaces, boilers, incinerators, kilns, or other heat-resistant, abrasion-resistant or corrosion-resistant enclosures, equipment or structures</i>		10 p.c.	10 p.c.	22.5 p.c.	6.5 p.c.	Free	Free	22.5 p.c.	Free
						10.3 p.c.	10.3 p.c.	22.5 p.c.	6.5 p.c.
						10 p.c.	13.8 p.c.	25 p.c.	9 p.c.
						13.9 p.c.	13.9 p.c.	25 p.c.	9 p.c.
	on and after January 1, 1984	9.7 p.c.	9.7 p.c.	22.5 p.c.	6 p.c.				
on and after January 1, 1985	9.1 p.c.	9.1 p.c.	22.5 p.c.	6 p.c.					
on and after January 1, 1986	8.6 p.c.	8.6 p.c.	22.5 p.c.	5.5 p.c.					
on and after January 1, 1987	8 p.c.	8 p.c.	22.5 p.c.	5 p.c.					
28116-1 <i>Ceramic refractory fibres and manufactures thereof in any form including bulk, batts, blankets, boards or cloth, for use in the construction or repair of furnaces, boilers, incinerators, kilns or other heat-resistant, abrasion-resistant or corrosion-resistant enclosures, equipment or structures</i>		13.9 p.c.	13.9 p.c.	25 p.c.	9 p.c.	13.9 p.c.	13.9 p.c.	25 p.c.	9 p.c.
	on and after January 1, 1984	12.9 p.c.	12.9 p.c.	25 p.c.	8.5 p.c.				
	on and after January 1, 1985	12 p.c.	12 p.c.	25 p.c.	8 p.c.				
	on and after January 1, 1986	11.1 p.c.	11.1 p.c.	25 p.c.	7 p.c.				
	on and after January 1, 1987	10.2 p.c.	10.2 p.c.	25 p.c.	6.5 p.c.				
28220-1 <i>Hydraulic cement concrete mixes, wet or dry, not including refractory mixes</i>	Free	Free	22.5 p.c.	Free	Free	Free	22.5 p.c.	Free	
35211-1 <i>Electronic equipment specifically designed to simulate the sounds of bells; keyboards, consoles, tape players and tape recorders specifically designed for use therewith; parts thereof; all the foregoing when for use in churches</i>		Free	Free	25 p.c.	Free	10 p.c.	10.3 p.c.	25 p.c.	6.5 p.c.
						12.1 p.c.	12.1 p.c.	30 p.c.	8 p.c.
						13.9 p.c.	13.9 p.c.	30 p.c.	9 p.c.

Tariff Item	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	General Preferential Tariff	Rates in Effect Prior to Rates Proposed in this Motion				
					B.P. Tariff	M.F.N. Tariff	General Tariff	General Preferential Tariff	
42818-1	Diesel engines, and parts thereof, for use with the following self-propelled crawler machines: bulldozers, front-end loaders, pipelayers	Free	Free	30 p.c.	Free	Free	12.1 p.c.	30 p.c.	Free
	on and after July 1, 1988	Free	9.2 p.c.	30 p.c.	Free				
44538-2	Digital or analog mixing consoles incorporating micro-processor or microcomputer control systems; tape recorders; parts of all the foregoing; for use exclusively in the production of commercial sound recordings	Free	Free	25 p.c.	Free	Free	5.1 p.c.	25 p.c.	Free
						10 p.c.	10.3 p.c.	25 p.c.	6.5 p.c.
						13.9 p.c.	13.9 p.c.	30 p.c.	9 p.c.
	Transistors and other semiconductor devices; parts thereof; materials for use in the manufacture thereof:								
44544-1	Other than the following	Free	Free	25 p.c.	Free	Free	Free	25 p.c.	Free
						Free	9.5 p.c.	25 p.c.	Free
44544-2	Hybrids; linear audio amplifiers with a power rating of twenty milliwatts or less; diodes and silicon-controlled rectifiers with a current rating greater than 510 amperes average; diodes and voltage multipliers with a current rating of one ampere or less together with a voltage rating greater than one kilovolt	Free	9.5 p.c.	25 p.c.	Free	Free	9.5 p.c.	25 p.c.	Free
	on and after January 1, 1984	Free	8.1 p.c.	25 p.c.	Free				
	on and after January 1, 1985	Free	6.8 p.c.	25 p.c.	Free				
	on and after January 1, 1986	Free	5.4 p.c.	25 p.c.	Free				
	on and after January 1, 1987	Free	4 p.c.	25 p.c.	Free				
56400-1	Church vestments; parts thereof	10 p.c.	10 p.c.	20 p.c.	6.5 p.c.	10 p.c.	10 p.c.	20 p.c.	6.5 p.c.

Tariff Item		British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	General Preferential Tariff	Rates in Effect Prior to Rates Proposed in this Motion			
						B.P. Tariff	M.F.N. Tariff	General Tariff	General Preferential Tariff
56405-1	<i>Prayer shawls, prayer shawl fringes and prayer shawl bags; parts thereof</i>	Free	Free	20 p.c.	Free	10 p.c.	10 p.c.	20 p.c.	6.5 p.c.
61105-4	<i>Boots and shoes with ice or roller skates attached; boots and shoes which have been prepared, modified or designed to have ice or roller skates attached</i>	18 p.c.	23.8 p.c.	40 p.c.	15.5 p.c.	18 p.c.	23.8 p.c.	40 p.c.	—
	on and after January 1, 1984	18 p.c.	23.4 p.c.	40 p.c.	15.5 p.c.				
	on and after January 1, 1985	18 p.c.	23.1 p.c.	40 p.c.	15 p.c.				
	on and after January 1, 1986	18 p.c.	22.8 p.c.	40 p.c.	15 p.c.				
	on and after January 1, 1987	18 p.c.	22.5 p.c.	40 p.c.	15 p.c.				
65800-1	Motion picture films, of 16 millimetres width and over, and video tapes, not including filmed or video taped television commercials <i>other than those elements or portions, edited or not, of such motion picture films or video tapes intended for their television promotion</i> , when imported by recognized processors of motion picture films or video tapes having duly equipped laboratories for processing motion picture films or video tapes in Canada, for the sole purpose of having reproductions made therefrom, and if the original films or video tapes are exported within six months from the date of importation, under such regulations as the Minister may prescribe.....								
	.....per linear foot	Free	Free	3 cts.	Free	Free 15 p.c.	Free 15.7 p.c.	3 cts. 30 p.c.	Free 10 p.c.
65804-1	<i>Filmed or video taped television commercials imported for reference purposes only under such conditions as the Minister may prescribe by regulation</i>	Free	Free	30 p.c.	Free	15 p.c.	15.7 p.c.	30 p.c.	10 p.c.

Tariff Item	Description	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	General Preferential Tariff	Rates in Effect Prior to Rates Proposed in this Motion			
						B.P. Tariff	M.F.N. Tariff	General Tariff	General Preferential Tariff
68200-1 (Cont.)	Threads, twines, marlines, fishing lines, rope and cordage, not exceeding one and one-half inches in circumference; <i>Spat collectors and collector holders;</i> All the foregoing for use in commercial fishing, or in the commercial harvesting of marine plants, under such regulations as the Minister may prescribe; Carapace measures of any material.....	Free	Free	Free	Free	Free 15 p.c.	Free 15.5 p.c.	Free 30 p.c.	Free 10 p.c.
	Goods (not including alcoholic beverages, cigars, cigarettes and manufactured tobacco except where specifically provided therefor) acquired abroad by a resident or a temporary resident of Canada or by a former resident who is returning to Canada to resume residence for his personal or household use or as souvenirs or gifts, but not bought on commission or as an accommodation for any other person or for sale, and declared by him at the time of his return to Canada, under such regulations as the Minister may prescribe:								
70310-1	Valued at not more than <i>one hundred dollars</i> (including alcoholic beverages not exceeding forty ounces, and tobacco not exceeding fifty cigars, two hundred cigarettes and two pounds of manufactured tobacco) and included in the baggage accompanying the <i>person</i> returning from abroad after an absence from Canada of not less than forty-eight hours.....	Free	Free	Free	Free	Free Various	Free Various	Free Various	Free Various

Tariff Item		British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	General Preferential Tariff	Rates in Effect Prior to Rates Proposed in this Motion			
						B.P. Tariff	M.F.N. Tariff	General Tariff	General Preferential Tariff
70312-1	Valued at not more than <i>three hundred dollars</i> (not including goods otherwise allowed duty-free entry into Canada, nor alcoholic beverages, cigars, cigarettes and manufactured tobacco) and included in the baggage accompanying the <i>person</i> returning from abroad after an absence from Canada of not less than forty-eight hours....	20 p.c.	20 p.c.	25 p.c.	13 p.c.	25 p.c. Various	25 p.c. Various	25 p.c. Various	16.5 p.c. Various
	<i>Notwithstanding the provisions of this Act or any other Act, the value for duty as otherwise determined under the Customs Act in the case of any goods described under tariff items 70310-1, 70311-1 and 70312-1 which, but for the fact that the value thereof exceeds the maximum value specified in such items, would have been entitled to entry under one of those items, shall be reduced by an amount equal to the value specified in those items.</i>								
70313-1	Valued at not more than <i>twenty dollars</i> (not including alcoholic beverages, cigars, cigarettes and manufactured tobacco) and included in the baggage accompanying the <i>person</i> returning from abroad after an absence from Canada of not less than <i>twenty-four hours</i>	Free	Free	Free	Free	Free Various	Free Various	Free Various	Free Various
	The exemption granted under this item shall be extended only to a <i>person</i> who, at the time of his return to Canada, is not entering any other goods under any other item of this heading.								
	Goods entitled to entry under any item of this heading shall be exempt from all other imposts notwithstanding the provisions of this Act or any other Act.								

Tariff Item	British Prefer- ential Tariff	Most- Favoured- Nation Tariff	General Tariff	General Prefer- ential Tariff	Rates in Effect Prior to Rates Proposed in this Motion				
					B.P. Tariff	M.F.N. Tariff	General Tariff	General Prefer- ential Tariff	
<p>The Minister by regulation may, notwithstanding any other provision in customs legislation relating to the entry of goods, excuse a <i>person</i> from any requirement for making a written declaration or entry with respect to goods entitled to entry under any item of this heading.</p> <p>The Governor in Council may, by order, on the recommendation of the Minister of Finance, reduce the maximum value of goods that are entitled to entry under any item of this heading but every order made pursuant to this authority shall be published in the <i>Canada Gazette</i>, and shall cease to have any force or effect with respect to any period following the 180th day from the date of its making or, if Parliament is not then sitting, the 15th day next thereafter that Parliament is sitting, unless not later than that day the order is approved by resolution adopted by both Houses of Parliament.</p>									

SCHEDULE III

Tariff Item	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	General Preferential Tariff	Rates in Effect Prior to Rates Proposed in this Motion				
					B.P. Tariff	M.F.N. Tariff	General Tariff	General Preferential Tariff	
	Machines, n.o.p., and accessories, attachments, control equipment and tools for use therewith; parts of the foregoing:								
42700-3	<i>Bulldozer front-end assemblies and blades; buckets; digging teeth; cutting edges; end bits; rippers; scarifiers; ripper shank assemblies including shrouds and points; pipelayer attachments; operator cabs; rollover protection devices; feed pellet mill dies; feed pellet mill rolls; parts of all the foregoing; all the foregoing for use with the goods enumerated in tariff item 42700-6</i>								
	2.5 p.c.	12.1 p.c.	35 p.c.	2.5 p.c.	Free	Free	35 p.c.	Free	
					2.5 p.c.	12.1 p.c.	35 p.c.	2.5 p.c.	
					2.5 p.c.				
					2.5 p.c.				
					2.5 p.c.				
42700-6	Automobile air conditioners when imported in "kits" complete; Bone working machines; Bottle washing machines, bottle filling machines, bottle capping machines, and any combination thereof, for use by the beverage industry; Button making machines; Can making machines; Centrifugally cast paper machine roll shells; Cheese making machines, including cheese dyeing machines, but not including cheese presses and vats; Combination excavating and transporting scrapers;								

Tariff Item	British Prefer- ential Tariff	Most- Favoured- Nation Tariff	General Tariff	General Prefer- ential Tariff	Rates in Effect Prior to Rates Proposed in this Motion			
					B.P. Tariff	M.F.N. Tariff	General Tariff	General Prefer- ential Tariff
42700-6 (Cont.)								
	Combination ice cube makers and dispensers; Commercial laundry machines, namely: centrifugal extractors, flatwork ironers, washer-extractors; Confectionery industry manufacturing machines, namely: chocolate coating, enrobing, tempering moulding machines, candy pulling and extruding machines, chewing gum making machines, cot- ton candy making machines; Counter-top electric dishwashers; Feed pellet mills; Fish skinning, deheading and grinding machines; Flour mills, domestic; Glass making machines, not including furnaces; Hand-held pneumatic and hydraulic powered machines, other than rock drills, stoper drills and feed legs, sinker drills, paving breakers, spaders and diggers; Lime slaker machines; Nailing machines, woodworking; Paper and paperboard converting machines; Paper testing machines and paper laminating machines; Pasta making machines, including macaroni mak- ing machines; Pencil lead extrusion machines; Portable air conditioners, 55 lbs. or less in weight, up to 6,000 BTU in capacity, not including win- dow type; Processed breakfast cereal food manufacturing machines, namely: extruders, cooker-extruders, toasting ovens, louvre driers, puffing machines including guns and ovens, coating drums, shred- ders, flaking rolls and shredding rolls;							

Tariff Item	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff	General Preferential Tariff	Rates in Effect Prior to Rates Proposed in this Motion				
					B.P. Tariff	M.F.N. Tariff	General Tariff	General Preferential Tariff	
42700-6 (Cont.)									
Railway cranes or derricks of a type designed for lifting locomotives;									
Roller milling machines for refining sugar;									
Sash type gang saws;									
Saw sharpening machines, woodworking;									
Self-propelled crawler machines, commonly known as bulldozers;									
<i>Self-propelled crawler-mounted front-end loaders;</i>									
<i>Self-propelled crawler-mounted pipelayers;</i>									
Shoemaking industry machines, not including moulding machines;									
Slide fastener making machines;									
Slush drink making and dispensing machines;									
Soft ice-cream making and dispensing machines;									
Speed regulators of the electro-mechanical type for hydraulic and steam turbines;									
Stone working machines;									
Tape embossing machines;									
Textile industry machines, namely:									
bleaching and dyeing machines, industrial sewing machines, knitting machines, spinning and related machines, weaving machines, including Jacquard machines and Dobby looms;									
Tobacco processing or preparing machines;									
Toothbrush making machines;									
Ultra-sonic cleaners, other than for washing cases;									
Venetian blind making machines;									
Water coolers, office-type drinking fountains with integrally incorporated refrigeration units;									
Parts of the foregoing;									
All of the foregoing to include, subject to tariff item 42700-3, accessories, attachments, control equipment including jacquards and tools for use therewith; parts of the foregoing	Free	Free	35 p.c.	Free	Free	Free	35 p.c.	Free	Free
					2.5 p.c.	12.1 p.c.	35 p.c.	2.5 p.c.	