

*Customs Tariff*

certain compromises in a hearing of that kind, and businessmen go away thinking that they have made the best bargain possible and then they find that the tariff board recommendations are not accepted and altered here on budget night to their surprise and chagrin.

Item 382(7) is another of those items. A former item involved an increase from recommended free to 7½ per cent under the British preferential for whom my hon. friend is always very vocal in saying that he wants to increase trade. This is another item where the tariff board felt that when coming from Britain it should be imported free. Notwithstanding the commonwealth conference, my hon. friend has seen fit to recommend that the tariff be 5 per cent. I wonder whether we can hear something about this?

**Mr. Fleming (Eglinton):** Mr. Chairman, my hon. friend may not be aware that under the tariff board report, had it been implemented, this item would have come in under sub item 2 of item 382 as cold-rolled sheet and at a higher rate than is proposed under 382(7), under most-favoured-nation tariff.

**Mr. Benidickson:** Was the old item under 385c?

**Mr. Fleming (Eglinton):** The old item was 386p.

**Mr. Pearson:** My information is that the item under which the recommendation was made by the tariff board was 7(g), as appears on page 97 of their report, and reads as follows:

Hot- or cold-rolled, not more than .025 inch in thickness, containing not less than 2.90 per cent of silicon, coated or not, for use in the manufacture of electrical apparatus or parts therefor.

Under that particular item as enumerated there would have been no duty on British imports.

**Mr. Fleming (Eglinton):** I am sorry, but I am afraid the hon. gentleman has erred there. He is talking about something different; it is a different item.

**Mr. Benidickson:** Is this not recommendation 7(g) of the tariff board?

**Mr. Pearson:** At page 97.

**Mr. Fleming (Eglinton):** No, it is not.

**Mr. Benidickson:** It is not in the present wording but is it not the same type of thing? It is goods for making electrical apparatus; it is very expensive, many hundreds of dollars a ton.

**Mr. Pearson:** Mr. Chairman, may I read the recommendation of the tariff board in this

[Mr. Benidickson.]

matter? It is on page 97, under section 7(g) and it reads as follows:

Hot- or cold-rolled, not more than .025 inch in thickness, containing not less than 2.90 per cent of silicon, coated or not, for use in the manufacture of electrical apparatus or parts therefor.

Does this particular recommendation not correspond to the one we are now discussing, and is it not true that under that recommendation British imports would have been free?

**Mr. Fleming (Eglinton):** The answer is that it does not correspond.

**Mr. McLraith:** I do not quite understand why the word "free" is printed under "British preferential tariff" in the resolution as existing.

**Mr. Fleming (Eglinton):** Because it used to be 386p, which was free under British preferential.

**Mr. Benidickson:** Surely, under this item, 382(7) we are dealing with the tariff board reference on page 145 of the report. They said this:

It is doubtful that there is much Canadian production in the high-silicon range covered by the item.

Has that situation changed?

**Mr. Fleming (Eglinton):** Mr. Chairman, it is perhaps quite a natural thing that there should be a misapprehension here, since this is a little complicated, but I draw attention of hon. members to the fact that the tariff board, at the bottom of page 97 of its report, in recommending the item that was read by the Leader of the Opposition, has recommended it in "g" with respect to:

Hot- or cold-rolled, not more than .025 inch in thickness, containing not less than 2.90 per cent of silicon,—

I am told this is a very different product from hot- or cold-rolled with silicon content of .075 per cent.

**Mr. Benidickson:** But my hon. friend and his predecessor were seeking simplification in the number of items in the tariff schedule and for that reason the board recommended that all such items could be included in their recommendation 7(g).

Item agreed to.

Items 383 and 383a agreed to.

Customs tariff—384: Skelp, plate, sheet or strip of iron or steel, hot- or cold-rolled, when imported by manufacturers of pipes or tubes, for use in the manufacture of pipes or tubes: British preferential tariff, free; most-favoured-nation tariff, 7½ per cent; general tariff, 15 per cent.

**Mr. McMillan:** This is an item which relates to items 397 and 399. I am wondering whether the minister would give consid-