

is handicapped at the start. When they come into port with their fish, the American fish go through Canada in bond to the eastern states market, free of duty, and the Canadian has to pay a duty of two cents on his fish going into the United States. He is handicapped in that way also. What is the result? Canadians go over to the other side, and they have been going over in hundreds and thousands during the last fifteen years. A large number of Canadian fishermen can now be found operating in Seattle, on account of the economic conditions to which I have referred, both as regards the tax on fish and the other conditions. We hear about Canadians going over to the States and we are urged to find means to stop them and to encourage them to come back. The way to encourage them to come back is to make conditions by which they can compete with Americans in the common market of both of them, which is the United States.

Another feature I should like to mention is that this reduction is one which will tend to reduce the cost of living. One of the greatest things statesmen strive for is to reduce the high cost of living. If you reduce the cost of production in a basic industry—and fishing is one of the basic industries—you will cheapen the price to the consumer, and that is what the people of Canada want. They want a cheaper cost of living. When my hon. friend from Vancouver South asked a question, he expected a negative answer, but I will give him a different answer. He asked, is it in the interests of Canada to do this? I say yes, it is in the interests of Canada to cheapen the cost of production and keep Canadian citizens in Canada.

Mr. BLACK (Yukon): Does this include steam engines and oil burning engines, as well as gasoline engines, when used for the purposes set out in the schedule?

Mr. ROBB: Yes, it reads:

"Engines to be used exclusively in the propulsion of boats bona fide owned by individual fishermen for their own use in the fisheries, under regulations prescribed by the Minister of Customs and Excise".

Mr. BLACK (Yukon): Is not the class of engine known as the Diesel, which is an oil burning engine, free now when used for marine purposes, and if that is so, will not this provision place a duty on it?

Mr. ROBB: No.

Mr. BLACK (Yukon): How can you escape it?

Mr. ROBB: It comes in under another item, 470.

Mr. ROBICHAUD: The item reads:

Engines to be used exclusively in the propulsion of boats bona fide owned by individual fishermen for their own use in the fisheries, under regulations prescribed by the Minister of Customs and Excise.

In some cases you have to draw a line between a vessel owned by a private individual and one owned by a trader or a man engaged in the fishing industry. Some are owned by fishermen and others owned jointly by fishermen and by dealers. In Nova Scotia the large bankers are owned jointly by fishermen and traders. I should like to know whether this provision would be the cause of any misunderstanding.

Mr. ROBB: No, I would not think so. We consulted the Department of Customs; this paragraph was so framed for administrative purposes, so that the man who had a large yacht would not get the advantage of it.

Mr. STEVENS: A very important point has been raised by my hon. friend. If Diesel engines were, as my hon. friend from the Yukon point 'out, put on the free list for fishing purposes last year there would be a very great danger of them being taxed under this item. What is the item under discussion?

Mr. ROBB: Diesel engines are under item 470.

Mr. STEVENS: I would like to check that up. It is a rather important matter. Item 470 in the tariff I think reads "Iron or steel masts."

Mr. ROBB: It says:

And iron or steel manufactures which at the time of their importation are of a class or kind not manufactured in Canada when imported for use in the construction or equipment of ships or vessels.

I can assure my hon. friend it is amply covered.

Item agreed to.

Customs tariff—469a. Well-drilling machinery and apparatus and parts thereof, and rope twenty-one hundred feet and over in length, capable of drilling wells of two thousand feet, and over in depth, of four inches and over in diameter, and of raising and lowering casing over four inches in diameter for such wells, for drilling for water, natural gas and oil, and for prospecting for minerals, not to include motive power: British preferential tariff, 5 per cent; intermediate, 5 per cent; general, 5 per cent.

Mr. GARDINER: What is the previous tariff on this item?

Mr. ROBB: Well there are some clauses involved in it. The proposed rates are five