

France, where we also got a reduction in the duty on canned apples, dried apples and apple juice. We also secured a reduction in the duty on fresh and dried apples in Belgium and the Netherlands, and on fresh apples in Norway. That applies, according to my memory, also to Czechoslovakia.

Hon. Mr. McDONALD (*King's*): The United States gave only a reduction of 15 to 12½ cents.

Mr. McKINNON: In respect to fresh apples, but keeping in mind the importance of apples to the maritime provinces, we naturally placed great emphasis on reductions with respect to other maritime province commodities, such as seed potatoes and turnips. We did this knowing that a reduction in the apple preference might be regarded as having a serious effect in the maritimes.

Hon. Mr. BISHOP: Were the British authorities quite ready to modify the preference in respect to apples?

Mr. McKINNON: The British authorities manifested no particular diffidence about seeing that preference go. I think that is obvious from the fact that the United Kingdom has become self-sufficient with respect to apples.

Hon. Mr. BISHOP: What was their attitude about preferences in general?

Mr. McKINNON: Their attitude about preferences in general was that under the circumstances in which we were meeting at Geneva, preferences were generally negotiable; and they felt, as did we, that if they could get paid enough for reducing or eliminating preferences, they were quite prepared to negotiate them. In the end, they were willing to reduce or eliminate as Canada did.

Hon. Mr. DAVIES: What duty is paid on apples going into the United Kingdom?

Mr. McKINNON: They are duty-free. Our position has not changed, Mr. Senator; it is just that the preference we had over other countries is removed. I should probably bring out the point that for many years our goods have gone into the United Kingdom free, with very few exceptions. That is still the case; duties have not been imposed on Canadian products.

The CHAIRMAN: Did they have any serious objection to reduction of preferences which they had in our own country?

Mr. McKINNON: Well; naturally, Senator Euler. And believe me, sir, they were consulted on every single one. There was not a preference given up by, shall we say, Britain, that we have enjoyed, without consultation with us; there was not a single preference in the Canadian tariff reduced or eliminated without consultation with either the United Kingdom, South Africa, Australia, or whatever country enjoyed the preference. Naturally, just as we for some time sought for the retention of as much as we could of the apple preference in their market, they argued as long and as vigorously as they could against any impairment of their margins here. But in the end, the entire result appeared to all parties to be sufficiently good on the whole that the present agreements were accepted.

Hon. Mr. McDONALD (*King's*): The only thing that might be said in defence of the apple grower here is this, that the apple grower, especially in the Annapolis Valley, is chiefly an apple grower; that is, he is not engaged in enough other branches of farming to enjoy the benefits which you got on some other agricultural products going into the States.

Mr. McKINNON: That is true, senator, in the sense that he had all his eggs in one basket; but for reasons beyond the control of every one of us that particular customer found himself unable to buy apples, and also had equipped himself to the point where he could supply his own apples. We do think that