

manufactures piano plates carries a heavy additional cost of duty and freight on raw materials which does not have to be borne by the plate manufacturers located near United States plants producing these commercial pianos.

I believe the Minister of National Revenue has acted wisely in fixing a valuation on second-hand pianos—

Mr. MacNICOL: But he has not done that.

Mr. GLADSTONE: —and I think it would be well for him to keep a watchful eye on the value of the cheaper pianos which are likely to come into this country. I refer to pianos such as would be sold to the large departmental stores in New York and Chicago.

Item agreed to.

Customs tariff—597a. Musical instruments of all kinds, n.o.p.; phonographs, graphophones, gramophones and finished parts thereof, including cylinders and records therefor; and mechanical piano and organ players: 25 per cent.

Item agreed to.

Customs tariff—ex 597a. Cylinders or records specially made for use in the study of languages, under such regulations as may be prescribed by the minister: free.

Item agreed to.

Customs tariff—ex 598a. Brass band instruments, of a class or kind not made in Canada: 25 per cent.

Item agreed to.

Customs tariff—599. Hides and skins, raw, whether dry, salted or pickled; and raw pelts: free.

Mr. HOMUTH: Is there any duty on hides going into the United States?

Mr. DUNNING: On bovine hides the rate is ten per cent, and on others it is free, going into the United States.

Item agreed to.

Customs tariff—601. Fur skins of all kinds, not dressed in any manner: free.

Mr. BROOKS: I notice this item is marked "free," and I believe it has been free for some time. I do not know that in the past the fox industry in the United States has particularly affected the fur industry in Canada. I understand, however, that the ranches in the United States are increasing rapidly. I have been informed that a few years ago fox raisers in eastern Canada exported large numbers of live animals to the western United States. As soon as the United States had a

sufficient number of these animals to stock their own ranches, they placed a heavy duty against the importation of live animals. To-day the fox farming industry is flourishing in many of the western states. There has been possibly no reason for placing a duty against fox furs coming into Canada from the United States up to the present time, but with the increase in fur ranching in the western United States there is a greater need for protection than there has been in the past. What were the importations of fox furs from the United States during the last three years.

Mr. DUNNING: I shall give the figures for all furs under this item, that is fur skins undressed. Imports of all varieties of fur skins from the United States last year were valued at \$2,639,000. Our exports to the United States, which enter that country free, were valued at \$4,420,000.

Mr. BROOKS: Is the minister correct in saying that foxes enter the United States free?

Mr. DUNNING: Not foxes, but the others do.

Mr. BROOKS: The duty on fox skins is 37½ per cent.

Mr. DUNNING: Everything except black and silver foxes goes in free. They have a duty on fox skins, but that has been reduced under this treaty. My hon. friend wanted the importations of fox skins as distinct from the others?

Mr. BROOKS: For the past three years.

Mr. DUNNING: I have only the figures for two years. In 1937, imports of fox skins from the United States were \$276,000, and in 1938, \$172,000.

Mr. BROOKS: I think they were about half a million dollars in 1936.

Mr. DUNNING: It varies with the years. Our exports of black and silver foxes last year to the United States were \$177,000, and our exports of other fox skins were \$570,000.

Mr. BROOKS: Under this treaty the Scandinavian countries will have the same privilege of exporting to the United States market as Canada, under the favoured nation clause?

Mr. DUNNING: Yes.

Mr. BROOKS: What other countries besides the Scandinavian countries will have that privilege?