

*Ways and Means—Customs Tariff*

Mr. YOUNG: Why are these people given a drawback when other people using fire brick are not?

Mr. RHODES: We are really widening the item. Hitherto the importation has had to be made by the manufacturer for use in his own plant. There has been no change in the item at all except to permit this fire brick to be warehoused so the manufacturers can use it as they need it, just as we have done in connection with yarns in a previous item.

Mr. YOUNG: That is to say, the fire brick coming in will pay the duty; it can be put into a warehouse and then if it is sold to a manufacturer of iron and steel the duty is paid back while if it is sold to anyone else there is no rebate?

Mr. RHODES: That is correct.

Mr. YOUNG: Why the discrimination?

Mr. RHODES: There must be some good reason, for it has been there a good many years.

Mr. YOUNG: I suppose it would be the reason advanced by the makers of iron and steel.

Mr. REID: May I ask why electric furnaces and converters are not included in this item? I notice that the item now reads:

When used by manufacturers of iron or steel in the construction or repair of a blast furnace, open hearth furnace or rolling mill furnace.

These bricks may be used in converters.

Mr. RHODES: As I am at present advised, and speaking from memory, I have not received a request to have the item worded to include electric furnaces. We took the item as we found it, and as I have indicated we enlarged upon it. So far as I can recall I can think of no objection to enlarging it to include electric furnaces, as suggested by the hon. member, but as I have indicated I have had no request to that effect.

Mr. REID: I know that both electric furnaces and converters use the same kind of brick, and that that way of manufacturing steel is growing.

Mr. RHODES: It would seem that entry must have been permitted, otherwise I am sure we would have heard from electric furnace producers. They do not fail to become vocal in matters of this kind.

[Mr. Rhodes.]

Mr. STEWART (Edmonton): There is no question about electric furnaces becoming popular.

Mr. RHODES: Quite so.

Mr. YOUNG: Where in Canada is fire brick manufactured, and how many men are employed in the industry?

Mr. RHODES: I cannot give the number of employees, but upon inquiry I might be able to secure that information. I believe there are about nine plants in Canada manufacturing fire brick, and the volume of their production is valued at about a quarter of a million dollars.

Mr. YOUNG: I can remember a complaint being made some years ago by hon. members on the other side of the house to the effect that Canadian manufacturers were placed under considerable handicap because some one in Canada claimed he had clay to make fire brick and wanted the industry encouraged.

Item agreed to.

Customs tariff—1049. Bituminous coal, imported on or after March 23, 1935.

(a) When converted into coke and the coke sold for use as fuel in other than a coke or gas plant, 50 per cent.

(b) When converted into coke and the coke sold for use as fuel in other than a coke or gas plant; provided that not less than 35 per centum, by weight, of the bituminous coal so used, as covered by each drawback claim, was mined in Canada, 99 per cent.

Provided that drawback payable under this item is in lieu of drawback payable under any other item.

Mr. RHODES: I shall ask to have the following amendment moved:

I beg to move that drawback item 1049, as contained in resolution No. 6 of March 23, 1935, be amended to read as follows:

1049—Bituminous coal, imported on or after March 23, 1935—

(a) when converted into coke and to be sold for use as fuel in other than a coke or gas plant, 50 per cent.

(b) when converted into coke to be sold for use as fuel in other than a coke or gas plant; provided, that not less than 35 per centum, by weight, of the bituminous coal so used, as covered by each drawback claim, was mined in Canada, 99 per cent.

Provided that drawback payable under this item is in lieu of drawback payable under any other item.

Mr. SUTHERLAND: I move accordingly.

Mr. STEWART (Edmonton): You increase the 35 per cent?

Mr. RHODES: No, there are no changes in the figures. What we are doing is this: We are carrying out the intent of the original item, namely that it should be for the users,