

to make the machine here if it were possible, but as I understand it, under this regulation, as none of these machines is made in Canada, that is, no percentage at present is being made here, the manufacturers would not be able to undertake to make this new machine as they would be up against Japanese competition which they could not meet because of wages and other conditions. It follows that that line of products is not likely to be made in this country. I could mention a score of lines of material with which I am familiar, that never would have been made in this country had the manufacturers been up against the regulation that they must have a market of ten per cent in Canada before they received any protection, for obviously they could not have any market until they began to produce. I may not be correctly interpreting the regulation. All I have in mind is that nothing should be permitted that will unnecessarily interfere with the incentive to produce in Canada.

Mr. ILSLEY: It is not correct to say that ten per cent must be produced in Canada before the industry receives any protection, because this has no relation whatever to the tariff protection that the goods receive. For instance, they may have a hundred per cent, or fifty per cent, protection under the tariff schedule even though they are not made in Canada at all, or although only one per cent of the normal Canadian consumption is supplied. The only effect this provision has is that they do not receive the additional protection of the dumping clause unless they are made in Canada in sufficient quantities to supply ten per cent of Canadian consumption.

Mr. NEILL: The dumping clause is the only protection we can get in respect of anthracite coal coming from Britain. It comes in free, of ordinary duty, and the dumping duty is the only protection our coal industry has. I had a case before the tariff board, and it was ruled that anthracite was not produced in Canada; the production being, I think, 900 tons, they simply said that it was not produced in Canada at all. They admitted that the words "a substantial quantity" used to be in the act, but had been taken out. I would point out to the minister that a quantity which might not be ten per cent all over Canada might be quite a large percentage in some particular part of Canada.

Mr. ILSLEY: The case of anthracite coal is one of the best illustrations of the need of this provision. To all intents and purposes anthracite coal is not produced in Canada. As the hon. gentleman says, 900 tons are produced, but that is a drop in the

[Mr. MacNicol.]

bucket; it is so small as to be almost negligible. There is a lawyers' phrase, *de minimis non curat lex*, meaning that the law takes no account of trifles, or has no regard for trifles. This is one of the best illustrations which could be given of the need of some provision like this, so that the department will not have to apply a dumping clause against something which to all intents and purposes is 100 per cent an imported article.

Mr. NEILL: Will the minister explain how this native industry can be built up if it has no protection whatever? It has no protection under the tariff and none under the dumping clause. How is it to be built up?

Mr. ILSLEY: There are in the country some industries that should not be built up. The hon. member will understand what I mean. That has been impressed upon me more and more in my work of the last few months, that there are some industries the cost of which to the dominion is so tremendous that they should never have received, to begin with, government assistance or encouragement.

Mr. NEILL: Does the minister suggest that that would apply to the bituminous coal mining industry of British Columbia?

Mr. ILSLEY: The bituminous mines? No.

Mr. NEILL: It is to compete with that industry that anthracite coal is brought in from Britain free of duty and free of dumping duty.

Mr. ILSLEY: The hon. gentleman is talking about anthracite coal.

Mr. NEILL: Which is competing.

Mr. ILSLEY: But only to a very slight extent.

Mr. NEILL: No; it is not necessarily to a slight extent. It can be brought in free of dumping duty, free of duty, and practically as ballast from Great Britain. Why is it not competitive? Bituminous mines in British Columbia are expensive to operate.

An hon. MEMBER: Give the British people a chance in the world.

Mr. MacNICOL: Would the minister mind giving us the names of some of the industries which should never have been built up in this country?

Mr. ILSLEY: I would not care to be drawn into a discussion of that kind.