2230

COMMONS

The Budget—Mr. Hanson (York-Sunbury)

Fresh Beef

For the fiscal year ended March 31, 1921, the last year that fresh beef entered the United States duty free, exports from Canada reached \$5,829,181. Under the emergency tariff, May 27, 1921, of 2 cents per pound, exports for the next fiscal year fell to \$2,550,-093. From September 21, 1922, the rate became 3 cents per pound. Nevertheless the trade recovered and for the fiscal year ended March 31, 1930, reached \$4,115,625. Then the tariff law enacted June 17, 1930, increased the rate to 6 cents per pound. For the first fiscal year under this tariff exports dropped to \$465,473, and have since undergone further reductions.

Mutton and Lamb

Mutton and lamb exports which under the duty free tariff reached over \$1,000,000 per year have disappeared altogether under various tariff increases. The rate under the tariff of June 17, 1930, became 5 cents per pound on mutton and 7 cents per pound on lamb.

Cream

Under a tariff of 20 cents per gallon our cream exports to the United States reached \$7,749,341 for the fiscal year ended March 31, 1927. Even under a tariff of 30 cents per gallon, imposed June 13, 1929, exports for that fiscal year, ended March 31, 1930, were \$4,679,804. The tariff then was raised (June 17, 1930) to $56 \cdot 6$ cents per gallon. When the fiscal year ended (March 31, 1931), the trade under this tariff had dropped to \$2,168,849. For the next iscal year, ended March 31, 1932, it had fallen to \$129,285.

Butter

The United States tariff on butter was advanced as follows:

May 27, 1921, from $2\frac{1}{2}$ cents to 6 cents per pound;

September 21, 1922, from 6 cents to 8 cents per pound;

April 5, 1926, from 8 cents to 12 cents per pound;

June 17, 1930, from 12 cents to 14 cents per pound.

The trade which under a tariff of $2\frac{1}{2}$ cents per pound was \$5,712,727 for the fiscal year ended March 31, 1920, and \$3,156,951 for the fiscal year ended March 31, 1921, dropped to \$1,080,357 the first year under the tariff of 6 cents per pound. The first year under the rate of 12 cents per pound, that is for the fiscal year ended March 31, 1927, exports dropped to \$106,718 and with the exception of one year has been much lower each year since.

[Mr. R. B. Hanson.]

Condensed Milk

Exports of condensed milk for the fiscal year ended March 31, 1921, were \$2,352,319, the last year it was free. The tariff was gradually increased becoming 1.8 to $3\frac{3}{4}$ cents per pound from June 17, 1930. The trade has dwindled to nothing.

Cattle Hides and Skins

Cattle hides and skins were duty free until June 17, 1930, when 10 per cent ad valorem was imposed. Canadian exports which had been averaging \$5,000,000 per year had dropped to less than \$2,000,000.

Leather

Exports of harness leather, upper leather and sole leather for the fiscal year ended March 31, 1930, the last year they were free, totalled \$4,763,535, but under new tariff rates of $12\frac{1}{2}$ per cent and 15 per cent ad valorem, fell to \$2,649,643 for the fiscal year ended March 31, 1931. They have since declined further.

Fish

Fish which was mainly duty free under the tariff of 1913 was subjected to duties in the tariff of 1922 ranging from 1 cent to $2\frac{1}{2}$ cents per pound while some classes were further increased in the tariff act of 1930.

Let us see what the effect in dollars and cents was of the tariff increases of other nations against this country. Let us take wheat and wheat flour under the French tariff. The French tariff on wheat was, as I have indicated, eleven cents a bushel prior to January 7, 1924. On May 20, 1930, it was increased to eighty-five cents per bushel. As other factors, notably the French crop and milling restrictions, influence the trade, we cannot attempt to trace the effect of the tariff on the actual trade, but this high rate of duty was undoubtedly a disadvantage to us. The actual rate being eighty francs for one hundred kilograms or 220 pounds, the equivalent is now much more than eighty-five cents per bushel on account of money being depreciated in terms of the French franc.

The same reasoning is true all the way down the line.

Wheat Flour

The duty on wheat flour entering France was increased at the same time as wheat. Rates on January 7, 1924, ranged from 24 to 34 cents per 100 pounds, depending on percentage of extraction of flour from the wheat. These rates were on March 20, 1930, advanced to a range of \$2.28 to \$3.29 per 100 pounds. It is true Canada has not shipped large quantities of flour to France but under the high tariff there has been no possibility of trade.