

Mr. STIRLING: I am speaking of the average valuation of a 100 pound crate. This is the first item to which is attached the proviso with reference to a special duty. I wonder if the minister has any statement to make with regard to the use which the government proposes to make of this special duty.

Mr. DUNNING: No, Mr. Chairman. I think I must adhere to the decision made by the government some time ago not to anticipate the budget in connection with any of the items under discussion. Under the agreement there is attached to the item an undertaking that any value for duty established under section 43 of the Customs Act on imports of onions from the United States shall not exceed the invoice value by more than 80 per cent of the lowest advance imposed on such goods during the period from 1933 to 1935. I should not care to state now any more than that provision does exist.

Mr. GRAYDON: May I ask the minister if he has information as to what was the lowest advance during that three year period in connection with the onion item?

Mr. DUNNING: The lowest advance has been three-quarters of one cent, applicable the year round.

Mr. STIRLING: I do not understand what connection there is between the application of this power that the government takes under the treaty and the bringing down of the budget.

Mr. DUNNING: I misapprehended my hon. friend's question in that regard and corrected my answer later.

Mr. STIRLING: The minister does not feel he is in a position to make a statement with regard to what use the government may make of this provision under section 43?

Mr. DUNNING: I think my hon. friend realizes that it is impossible to make any such statement in the month of March. The former government had such powers and I assume they exercised them in their own discretion from time to time according to the circumstances which existed.

Mr. BENNETT: That applied the year round on onions.

Mr. DUNNING: It was exercised the year round, but of course the government need not have exercised it the year round. I assume it was exercised the year round because in the opinion of the then administration the conditions prevailing warranted

[Mr. Dunning.]

such a course being taken. This government will have to consider, after consultation with the Department of Agriculture and the Department of National Revenue, what shall be done in the administration of items such as this.

Mr. LENNARD: Why is a duty of 30 per cent being placed on onions when the rate of duty applying to almost every other vegetable has been reduced to 15 per cent? I should like to be assured by the minister that this is not being done in order to pacify a certain famous onion grower in southwestern Ontario.

Mr. DUNNING: Does my hon. friend mean Mr. Gott, the former member?

Mr. BENNETT: No.

Mr. SPENCE: He does not grow them; he just talks about them.

Mr. BENNETT: I do not think the minister has quite apprehended the point raised by the hon. member for Yale (Mr. Stirling). One fact has been established by what the minister has said. We know that the increase in the invoice value of onions during 1933, 1934 and 1935 was three-quarters of a cent per pound. This agreement provides that the increase in the invoice value shall not be beyond 80 per cent of three-quarters of a cent per pound, which is three-fifths of a cent per pound. Therefore onions will enter this country subject to a 30 per cent duty, which may be increased to a maximum amount of three-fifths of a cent per pound. The hon. member for Yale asked when that surcharge was to be put into operation, as the surcharge which was in operation during the last year is now no longer in force.

Mr. DUNNING: It is.

Mr. BENNETT: How can it be?

Mr. DUNNING: It is in force.

Mr. BENNETT: I am referring to the three-quarters of a cent per pound.

Mr. DUNNING: The three-fifths of a cent per pound is in force.

Mr. BENNETT: The hon. member for Yale was trying to ascertain when the government put into force the three-fifths of a cent per pound surcharge on the 30 per cent tariff on onions.

Mr. DUNNING: It just remained in force but was reduced to that point. I understood the hon. member was stating a general principle.

Mr. STIRLING: I was.