

Customs tariff—607. Leather, when imported by manufacturers of gloves or leather clothing, for use exclusively in manufacturing gloves or leather clothing, in their own factories: rate of duty, free.

Mr. DUNNING: There is a reduction in the rate from five per cent to free. There are imports valued at \$31,000 of which \$4,700 came from the United Kingdom. Of leather n.o.p., which would also be included in the item, the total imports were \$402,000, of which only \$22,000 came from the United Kingdom. Canadian production is about \$1,000,000.

Item agreed to.

Customs tariff—607a. Leather, not further finished than tanned, in whole hides, in grains, or splits, when imported by manufacturers of upholstering leathers, for use exclusively in the manufacture of upholstering leathers, in their own factories: rate of duty, free.

Mr. DUNNING: No change.

Item agreed to.

Customs tariff—608. Leather, not further finished than tanned, and skins, n.o.p.: rate of duty, 5 per cent.

Mr. DUNNING: There is a reduction in rate from 10 to 5 per cent against Great Britain. On one part of the item the total imports were over \$11,000, and on the other part they amounted to \$138,000, of which \$112,000 came from the United Kingdom. The Canadian production is included in all other leathers.

Item agreed to.

Customs tariff—610 et al. Belting, n.o.p.: rate of duty, 15 per cent.

Mr. DUNNING: There is a reduction in the rate from 20 to 15 per cent as against Great Britain. The total imports of rubber belting for machinery were valued at \$80,000, of which \$22,000 came from the United Kingdom. Beltings of cotton were valued at \$39,000, of which \$12,000 came from the United Kingdom. Under the n.o.p. item the value was \$36,000 of which \$8,000 came from the United Kingdom. Under this item we export to the United Kingdom more belting than we import from her. It goes both ways, but we sell them more than they sell us.

Item agreed to.

Customs tariff—610a. Belting of camel's hair, for machinery: rate of duty, 7½ per cent.

Mr. DUNNING: There is a reduction in duty, but this is a relatively unimportant item.

Item agreed to.

Customs tariff—611a. Boots, shoes, slippers and insoles of any material, n.o.p.: rate of duty, 22½ per cent.

Mr. DUNNING: There is a reduction in rate from 25 to 22½ per cent.

Mr. BAKER: Have the Canadian boot and shoe manufacturers had much to say about this?

Mr. DUNNING: Yes, of course I have had letters.

Mr. BAKER: Do they fear unemployment through it?

Mr. DUNNING: They do not say so.

An hon. MEMBER: Oh, oh.

Mr. BAKER: This is not a joking matter.

Mr. DUNNING: I realize the hon. member is asking a serious question.

Mr. BAKER: But somebody thinks it is funny.

Mr. DUNNING: The letters I have received with regard to the item make the usual complaints made when a duty on a manufactured article is reduced. I am not surprised to receive them, but I would point out that we are large manufacturers. More than 98 per cent of the Canadian boot and shoe demand is supplied by Canadian manufacturers. They also export a substantial quantity of boots and shoes, notably canvas shoes with rubber soles, the exports being valued at \$1,205,000; and exports of boots and shoes of leather are valued at \$350,000. Our Canadian production in 1934, the last year for which there is a record, was valued at \$30,305,000.

Mr. BAKER: The minister does not anticipate that it will cause much more unemployment?

Mr. DUNNING: Well, Mr. Chairman, in negotiating the agreement, so far as my judgment would permit me I was anxious not to cause unemployment at all, but rather to create employment. I think on the whole that will be the effect of the agreement.

Item agreed to.

Customs tariff—ex 612. English type saddles: rate of duty, 10 per cent.

Mr. DUNNING: There is a reduction in the rate.

Item agreed to.

Customs tariff—617. India-rubber boots and shoes: rate of duty, free.

Mr. DUNNING: No change.

Item agreed to.