

*Canada-United Kingdom Trade Agreement*

Customs tariff—529. Embroideries, lace, nets, nettings, bobinet, n.o.p., fringes and tassels, wholly of cotton: rate of duty, 20 per cent.

Mr. DUNNING: No change.

Item agreed to.

Customs tariff—529a. Lace and embroideries, wholly of cotton, not coloured, imported by manufacturers for use exclusively in the manufacture of clothing, in their own factories: rate of duty, 7½ per cent.

Mr. DUNNING: No change.

Item agreed to.

Customs tariff—530. Lace and embroideries, wholly of cotton, coloured, imported by manufacturers for use exclusively in the manufacture of clothing, in their own factories: rate of duty, 7½ per cent.

Mr. DUNNING: No change.

Item agreed to.

Customs tariff—532. Clothing, wearing apparel and articles, made from woven fabrics, and all textile manufactures, wholly or partially manufactured, composed wholly of cotton, n.o.p.; fabrics wholly of cotton, coated or impregnated, n.o.p.: rate of duty, 25 per cent.

Mr. WARD: Is not 25 per cent a high rate of duty as between Canada and Great Britain? I am disappointed that there should be this high rate on clothing and wearing apparel.

Mr. DUNNING: In respect of this item, one and a half cents per pound duty was removed in the last budget, irrespective of the agreement feature. The imports from Great Britain of cotton clothing, the completed article, are not and cannot be very great because of the style factor. The important import from Great Britain in connection with cotton and artificial silk is not the completed article, but the fabrics and the yarns that go to make up the fabrics. My hon. friend will see, if he looks at the items we have passed, that with respect to the fabrics and the yarns low duties prevail. They are the commodities that come in. The style factor enters in connection with the intermediate tariff much more largely than under the British preferential tariff for the reason that we have an affinity with the United States in matters of style, particularly with regard to women's cotton and silk clothing represented by the item now before us.

Mr. WARD: That is very good as far as it goes, but does not this 25 per cent protect the Canadian manufacturer to that extent and enable him to charge that much more? If the farmers, the fishermen, the miners and others engaged in the primary industries

[Mr. Dunning.]

are to survive they must be enabled to buy, in the lowest possible markets, their textiles, boots and shoes, machinery and all the material that is necessary in the processing of our natural resources.

When we sell our goods in the markets of the world we have to meet competition from countries where there is a low standard of living and a low scale of wages. That, at any rate, is what we have been told; that is what is so loudly proclaimed in this house by those who speak for the manufacturers. Daily they remind us that the manufacturers are in danger of being put out of business and that our workmen may lose their homes and suffer a reduced standard of living if we lower the tariff. Well, is not the farmer in the same position? He must compete in the markets of the world over which he has no control, and must sell his products in competition with the very countries in which we are told these very same conditions exist. But when he comes to buy his requirements he buys in a market never less than fifty per cent above the price at which the same goods could be purchased in the markets of the world. He is at a tremendous disadvantage. But apparently the noisy crowd we have from Toronto and other manufacturing centres have got the ear of even our good one-time free trader in the person of the Minister of Finance. I do suggest that the free traders and those representing the agricultural areas of Canada must express more vigorously the views of the people they represent. It seems to me that a duty of 25 per cent between Canada and Great Britain is entirely too high.

Mr. MacNICOL: You have far too much influence in this house now.

Mr. ROSS (Moose Jaw): What was the tariff in 1930 under this item?

Mr. DUNNING: In May 1930 the duty on this item was 22½ per cent, and in September it was increased to 25 per cent, plus 3 cents per pound. The specific duty was eliminated at the last session.

Mr. BENNETT: It was cut in two first.

Mr. DUNNING: Yes. It was reduced in 1935 to 1½ cents per pound and the specific was eliminated altogether at the last session of parliament. I appreciate all that my hon. friend (Mr. Ward) has said, but I wish he would not suggest that I have ever at any time been a free trader. I am not and never have been and I do not believe such a policy practicable for Canada. I believe there is only one member of the house who really does believe that.