

Customs Tariff

Customs tariff:—560a. Man-made fibres or glass fibres, not exceeding 12 inches in length: British preferential tariff, 5 per cent; most favoured nation tariff, 12½ per cent; general tariff, 15 per cent.

Mr. Benidickson: Is the minister satisfied that last Wednesday, June 8, he gave this committee a proper explanation of this item? There is some controversy in so far as the departure from the tariff board recommendation is concerned.

Mr. Fleming (Eglinton): The 560a item is a new one, which provides for the entry of man-made and glass fibres at 5 per cent British preferential, 12½ per cent most favoured nation and 15 per cent general tariff. These are as recommended by the tariff board. These were all included as part of the tariff board's recommendation IX(a). This replaces former item 557c.

Mr. Benidickson: I know it has been reported by the *Financial Post* that this item departs from the tariff board recommendation, in that the tariff board recommended 7½ per cent and the minister recommends 12½ per cent.

Mr. Fleming (Eglinton): The tariff board recommendation was 5 per cent British preferential and 12½ per cent most favoured nation. For technical reasons advanced by the Canadian industry following publication of the report by the tariff board on reference No. 125—this is the report on silks, man-made fibres and products—the wording recommended by the tariff board has been amended by deleting the words “not containing wool or hair” and by subdividing the recommended item IX into this item and the three following. This item and all those which follow throughout the part of the schedule relating to synthetics have been formulated on the basis of the definition of man-made fibres recommended by the tariff board and implemented by resolution No. 1. Resolution No. 1 is reproduced in clause 1 of the bill.

Mr. Winch: By man-made fibres do you mean synthetics as differentiated from cotton, wool, or something like that?

Mr. Fleming (Eglinton): Yes. It has application to what we commonly call synthetics.

Mr. Martin (Essex East): Without referring to his official or to his book, will the minister satisfy my curiosity as to the real diversification of his knowledge by telling me what is meant in item 559e by nubs, slugs, slubs, neps or kemps?

Mr. Fleming (Eglinton): These are textile products. They are not nasty names.

Item agreed to.

Items 559a, 559b, 559c, 559d, 559e, 559f, 560b, 560c 560d, 560e, 561b, 561c, 561d agreed to.

Customs tariff—561a. Yarns and rovings, wholly of man-made fibres or filaments or of glass fibres or filaments, not more advanced than singles, not coloured, with not more than seven turns to the inch: British preferential tariff, 20 per cent; most favoured nation tariff, 22½ per cent but not less than 22 cents per pound; general tariff, 35 per cent but not less than 28 cents per pound.

Mr. Benidickson: May I refer to item 561a? By reference back to the ways and means resolutions one notes an increase in the British preferential tariff from 5 per cent to 20 per cent in certain circumstances under this item. What is the reason for this when we are trying to increase our trade with the commonwealth? The same question would apply to the next item, 561b, where the increase on paper seems to be 7½ per cent to 22½ per cent with respect to some items referred to in this paragraph.

Mr. Fleming (Eglinton): A roving, as hon. members are no doubt aware, is an attenuated strand of fibres from which yarn is spun. The increase here simply follows the recommendation of the tariff board, and I understand that the tariff board in making this recommendation took into account a very considerable change in the competitive situation since the original item with the 5 per cent British preferential rate was first written into the tariff.

Item agreed to.

The Chairman: We continue with the next group of items.

Mr. Winch: I have not been able to find the item on which I should like to ask a question. I understood from the recent visit of the Australian trade commission that they expect in the near future to be able to export to Canada a type of wool fabric or garment which will enable them to compete with the modern washable non-ironing fabrics such as we have in our shirts today. This was announced in the newspapers. Is there any special duty on that type of fabric, or will it come in under any special provision of the Customs Tariff. I understand that Australia is the only country that has yet developed this system of treating wool, and its introduction would be most welcome.

Mr. Benidickson: May I address a question to the hon. member who has put the question to the minister? Is it not his understanding that this particular development is free from copyright or any other restriction so far as world trade is concerned? Canadians will be able to make the same fabrics though the Australian government, through its financial assistance, developed the product.