

Mr. RHODES: The hon. member for Queens-Lunenburg mentioned that a great bulk of the casks are used in the export business, but if that is so a drawback could be obtained.

Mr. ERNST: What about the individual?

Mr. RHODES: My hon. friend now comes back to the individual. A moment ago he was saying that it would be difficult to administer this regulation, that we would not be able to collect the tax from the individual; if that is so, then he need not worry. If my hon. friend has any specific instances where he believes the drawback is unworkable or where no method can be devised to obtain a drawback, I should like to know of them. If he can show me definite instances, then I will agree that he has made out a case. I should like him to give me the chapter and verse and then I can submit the case to the experts in the Department of National Revenue and at the next sitting of this committee I shall be able to give their opinions.

Mr. DUFF: The officers of the department have told us that we cannot apply for a rebate on this salt. As I said, 99.99 per cent of the salt used for curing fish is exported; only .001 of the salt is used for fish for local consumption. I have no desire to be personal in this matter, but I want to give the minister all the information I possess. I am interested in the importation of salt. My hon. friend has said that domestic salt was as good as foreign salt to cure fish, but I contend that that is not correct.

Mr. RHODES: Does my hon. friend mean to say that we cannot produce in Canada salt as good for the curing of fish as salt produced elsewhere in the world?

Mr. VENIOT: You cannot do it.

Mr. DUFF: The salt produced in Ontario is all right for table use, and there is some fishery salt manufactured in that province, but it is too far away from Quebec, the maritimes and British Columbia. Some of the fine salt used in the fish business is called Liverpool salt; it gives what is known as a quick strike. Real fishery salt is crushed to about the size of a pea. I am not trying to detract from the virtues of the Malagash salt because I have done everything I could to help Mr. Chambers. I helped him to make investigations; I put a scientist on the job and he, Mr. Chambers and myself made tests for three months. That scientist did everything possible to remove the foreign matter, but he was not successful. That salt is not suitable for our purposes. When our fish is packed in it they will not bring the

same price as when they are packed in salt taken from the ocean. Malagash salt is taken from the earth while the salt we use comes from the ocean. This salt is evaporated in the Mediterranean, in Trapani, Spain, or in the West Indies in Turks island. Anyone who has been in the West Indies will know the strength of the salt water there and will appreciate my argument. The water is put in ponds and allowed to evaporate, the salt taken out and the ponds again filled with water.

There is another matter to which I should like the Minister of Trade and Commerce to give attention. In the old days much of the business from the maritime provinces was carried on in sailing vessels. To-day the use of these vessels is not as great but considerable business is still done in this manner. If I ship a cargo of fish in a sailing vessel to Porto Rico or Trinidad or some other point—in doing this I come into competition with the Canadian government merchant marine—the only return cargo available is salt. If my vessel goes to Newfoundland and loads a cargo of fish for Oporto or some port in Greece or Italy, the only return cargo available is salt. Canadian salt is not suitable for our purposes and we should not be penalized in the purchase of a suitable commodity. The ships return with the foreign salt which is put in storage. That salt is sold, as the hon. member for Queens-Lunenburg has said, not to one man who cures say two thousand quintals of fish but to one hundred men who cure twenty quintals each, or even to five hundred men. Those men do not come back to sell their fish to me because I sold them their salt; they may sell their fish to anyone of the firms who signed a telegram sent recently to the Minister of Finance. This telegram reads as follows:

We the undersigned dried and pickled fish exporters protest against the imposition of sales tax on fish packages thus adding to the cost of articles not used in Canada at a time when exporters cannot sell to cover the purchase price this notwithstanding the fish in most cases were bought from the fishermen below cost of production. If this unreasonable tax is insisted upon it will simply penalize the larger coöperation producers this owing to the impossibility of collecting from the many individuals producing packages in a small way.

That is what the hon. member for Queens-Lunenburg said. The telegram continues:

Further we cannot understand the government's action in continuing to increase the sales tax and excise tax on salt for the fishermen. The production of salt fish being almost entirely for export this burden put upon our fishermen is not consistent with the bonusing of five cents a bushel on wheat. We implore your compliance with our request to eliminate said tax from the tariff.