

There is no ad valorem duty. Then 29a provides:

Tea not otherwise provided, per pound, 10 cents, 10 cents, 10 cents.

Now what is the real purpose of this new regulation?

Mr. ROBB: Under the legislation of last year there was 10 per cent added to the British preference on goods entering through Canadian ports direct.

Mr. COOTE: Would not that be simply 10 per cent of the specific duty? It is not an ad valorem duty.

Mr. ROBB: If my hon. friend will allow me to continue, there was a provision put in the legislation of last year that if the duty, 7 cents a pound, when computed to an ad valorem basis, was not 15 per cent, this additional 10 per cent did not apply. I will read the clause:

Provided further that this discount shall not apply in the case in which the duty does not exceed 15 per centum ad valorem, or in the case of a specific duty or a specific and ad valorem duty combined in which the computed rate does not exceed fifteen per centum ad valorem—

Some goods came below and were not entitled to the 10 per cent. It is to cure that, we are bringing in this legislation.

Mr. COOTE: If we had had that explanation at the start I think this item might have been passed already.

Mr. ROBB: I imagine my hon. friend was not in the House.

Sir HENRY DRAYTON: In order to make this perfectly clear I am going to ask my hon. friend to point out why we should not say in plain words what I understand he admits we are doing. The amendment that I wanted him to consider was this:

Provided that in computing the ad valorem rate of duty on tea purchased in bond in the United Kingdom or tea purchased through British exporters but shipped from the country of origin to Canada direct—

and so forth. We have already got that. For the life of me I really fail to see why, when we already have that principle active in so far as the 10 per cent is concerned, we ought not to have the same principle recognized as regards the valuation. I submit my hon. friend ought either to stick to that or reconsider it.

Mr. ROBB: I am not prepared at this moment to accept the amendment offered by my hon. friend. This recommendation has been prepared in consultation with the officers of the department who administer the act, not with the intention of favouring any special

person but purely and solely to clear up an ambiguity in the act and give to the British exporter, or blender if you will, and to the Canadian people, the advantages of the 10 per cent discount of last year. However, I will meet my hon. friend in this regard: He can prepare his amendment and I will submit it again to the officers of the department who will have to administer the act.

Sir HENRY DRAYTON: All right.

Mr. ROBB: My hon. friend has been administering acts and he knows that it is the officers who understand how they work out.

The CHAIRMAN: Shall the resolution carry?

Mr. ROBB: No, it stands. If my hon. friend will give me the amendment I will consult the customs officers about it and see how it works out.

Resolution stands.

3. Resolved, That Schedule A to The Customs Tariff, 1907, as amended by chapter twenty-six of the statutes of 1914, chapter nineteen of the statutes of 1922 and chapter forty-two of the statutes of 1923, be further amended by striking thereout tariff items: 275, 445, 445a, 446, 446a, 446b, 447a, 447b, 448, 448a, 448c, 449, 450, 453b, 591, 663, 682, the several enumerations of goods respectively, and the several rates of duties of customs, if any, set opposite each of said items, and to provide that the following items, enumerations and rates of duty be inserted in Schedule A:—

On item 275:

Sir HENRY DRAYTON: Will the minister tell us what item 275 means, and what was collected under it last year?

Mr. ROBB: We are striking out the word "petroleum." The change will permit an oil called "Scotch blast furnace oil" free entry. The revenue is very small.

Sir HENRY DRAYTON: How does the present item read?

Mr. FORKE: It is dangerous stuff if it is Scotch blast furnace oil.

Mr. ROBB: The present rate is 15 per cent.

Sir HENRY DRAYTON: How does the present tariff item read though?

Mr. ROBB: The word "petroleum" is struck out. That permits the admission of "Scotch blast furnace oil."

Item agreed to.

On item 445:

Sir HENRY DRAYTON: What is the change there?