

*Customs Tariff*

not appear in the item and it is intended to make it so apply. The same is true with respect to tubing over four inches in diameter. I will ask my colleague to move the amendment.

Mr. ILSLEY: I move accordingly.

Sir GEORGE PERLEY: Is this No. 1025?

Mr. DUNNING: This item does not appear in the printed list. It is a very simple thing and one which should not arouse any controversy.

Amendment agreed to.

Mr. STEVENS: Before we pass on to the next item, I should like to refer to the striking out of item 1030. This covers a drawback of fifty per cent on the goods enumerated in tariff item 236, which refers to surgical dressings and so forth. What is the reason for the withdrawal or abandonment of the drawback privilege in connection with that item?

Mr. DUNNING: My hon. friend is one item ahead of me at the moment. I may tell him that it all comes back in the next item. If he will let us deal with item 1025, we shall then come to item 1030.

Customs tariff—1025. Hot rolled hexagon bars of Bessemer steel not being of greater value than four cents per pound: when used in the manufacture of cold drawn bars: drawback, 99 per cent.

Sir GEORGE PERLEY: Is this a new item?

Mr. DUNNING: This is an entirely new drawback item which was suggested by the tariff board in connection with its report on the automotive industry.

Item agreed to.

Customs tariff—1030. (a) Materials, n.o.p.: when used exclusively in the manufacture of articles enumerated in tariff item 236: drawback, 50 per cent.

(b) Woven fabrics, wholly of cotton, not bleached, mercerized nor coloured, weighing not more than seven and one-half pounds per one hundred square yards: when imported under the British preferential tariff and used exclusively in the manufacture of articles enumerated in tariff item 236: drawback, 99 per cent.

Mr. DUNNING: The hon. member for Kootenay East (Mr. Stevens) was asking about the repeal of this item. The whole of item 1030 is reenacted and the new (b) section is included as a result of the tariff board inquiry into the textile industry. The new (b) section will apply only with respect to duties paid on imports under the British preferential tariff.

[Mr. Dunning.]

Sir GEORGE PERLEY: This clause is drafted exactly as suggested by the tariff board?

Mr. DUNNING: Yes.

Item agreed to.

Customs tariff—1052. Machinery, new or used, of a class or kind not made in Canada: When imported by manufacturers of automobiles and motor vehicles or of automobile and motor vehicle parts to be used in the production of such automobiles and motor vehicles or automobile and motor vehicle parts drawback, 99 per cent.

Mr. DUNNING: This is an entirely new item put in as a consequence of the inquiry into the automotive industry. It provides for a ninety-nine per cent drawback on duties paid on machinery, whether new or used, of a class or kind not made in Canada, when imported by manufacturers of automobiles or automobile parts for use in the production of automobiles or parts.

Mr. MACDONALD (Brantford): It seems to me that in connection with these drawbacks the whole principle of fixing the tariff is shown to be wrong. We make tariff regulations; then we come along and say they are not right and we shall allow a drawback. That is an admission that we have not done what is right; that by a drawback we are trying to rectify an error. I think we should always deal with the tariff scientifically. This is my objection to the reduction of duties on farm implements. We appointed a committee of this house to inquire into this matter and before that committee had brought down its report, we changed the tariff affecting these implements. I think this committee should inquire as to whether or not a change would affect employment and the rates of wages paid in this industry. I doubt if any hon. member knows whether these changes will have any effect upon those employed in the industry. I have sufficient confidence in the government and in the Minister of Finance (Mr. Dunning) to know that any wrong will be righted immediately.

Similarly with regard to the automotive industry, a reference was made to the tariff board. In Brantford is located a company known as the Canada Carriage and Body Company Limited, which makes bodies for motor buses. In this industry are employed the finest class of working men, both skilled and unskilled, to be found any place in the world. This company makes a motor bus body that compares favourably with any body made in any other part of the world. This company did not have an opportunity of appearing before the tariff board. When they found out that the tariff had been reduced they immedi-