

In connection with fertilizers, compounded or manufactured, the item as it stands refers only to manufactured fertilizers, and not to the commodities out of which fertilizers are made. There is no change in that. The ruling of the department has been to that effect for some years. There is a large industry in the constituency represented by my hon. friend the former Minister of Justice, and they sent him a telegram with respect to the matter. There is no change there.

Mr. MALCOLM: I would point out to the minister, with respect to contracts, that if a change is made in the tariff between the spring of one year and the spring following, it presents difficulties in connection with contracts which everyone fully realizes. In connection with merchandise which is catalogued, mail order firms have gotten out their advertising for merchandise for the fall and winter catalogues, and the firms supplying them have already contracted for the raw materials. I think the Prime Minister would be well advised to give some exceptional power to the Minister of National Revenue to deal with contracts in a broad and definite way. I think that would meet the objection. On the assumption that the tariff was settled for the fall and winter period, these merchandising firms have catalogued and advertised goods at fixed prices for the life of the catalogue, and the firms making the goods have also made their contracts for the raw materials at fixed prices. Therefore the Minister of National Revenue should have the broadest powers to deal with unusual situations arising out of the tariff being increased in the middle of the year.

Mr. BENNETT: The objections of the hon. gentleman have to some extent been anticipated, but I am informed, and I fancy that my hon. friend will agree, that not to fix a date, having regard to the close of navigation, might leave it open to abuses. There is under section 91a provision for refunding duties that have been paid, a provision which in practice, with the approval of the treasury board, has been found broad enough to meet cases of that kind. For reasons mentioned by my hon. friend I took considerable time to go into the matter with care, and I quite agree with what he has said.

Mr. NEILL: This is going to create a certain amount of hardship for firms making mixed fertilizers. The proposal is to allow what is the raw material to come in free, while the manufactured article will be taxed, which is sound economics perhaps; but a great deal of what is going to be admitted as raw

material is in itself a fertilizer. It is not like an ingot of steel, for instance, which could not be used for anything until manufactured. There are fertilizers, very valuable in themselves, that come in and are used by manufacturers to a very large extent in making mixed fertilizers.

Mr. BENNETT: When so used they are free. That has been the practice for some time.

Mr. LAPOINTE: Even if they are partly manufactured, they come in free?

Mr. BENNETT: When they are an ingredient in the production of fertilizer, even if they are partly manufactured when they come in, the department for some years has given them free entry. I was very careful to inquire about that.

Amendment (Sir George Perley) agreed to.

Mr. RALSTON: Would the Prime Minister consider the suggestion I made in committee in reference to gasoline used in fishing operations? I am going to ask the Prime Minister to consider adding to this resolution a new numbered section to provide for a drawback on gasoline when used by individual fishermen for their own use in the fisheries in boats bona fide owned by them. I dealt with the matter at some length the other evening, and at this late stage I do not want to take up the time of the committee if my hon. friend would indicate what his attitude is. I cannot move the amendment now myself in committee; I can do so only in the house, when opportunity is given to any hon. member to move an amendment.

Mr. BENNETT: I am sure my hon. friend will agree that there is no reason why we should contemplate any class in the community preferring a foreign product to a home product, and inasmuch as my hon. friend's suggestion is to provide for a rebate of duty paid on the importation of a foreign product which they might buy at home, we see no reason why it should be done. There is no reason why we should put a premium on sending our money anywhere else. We propose to leave it on terms of equality. There will be no increase in price. To do what my hon. friend suggests would be putting a premium on money going out of the country.

Mr. RALSTON: We are a little sceptical about there being no increase in price. The telegram which the hon. member for Kindersley read this morning indicates that we are going to have difficulty about that very matter of an increase in prices. The assurance which was read by the Prime Minister from gentle-