

third amendment to the wording entails the inclusion of the words "infant incubators and complete parts thereof." These are extremely expensive pieces of modern hospital equipment, and often play a vital part in saving the lives of prematurely born children. Formerly they were ruled dutiable as electrical apparatus, n.o.p. They are now made free of duty under all tariffs, when for use in a public hospital. I believe that is a complete explanation.

Mr. BENNETT: I thank the minister for his explanation. I had occasion to bring the matter to the attention of the department only recently, and I wished to be perfectly certain that the words would cover the cases to which the minister has so kindly referred. This is particularly true with respect to the chairs he mentioned, and the cardiograph films and machines.

Item agreed to.

Customs tariff—494b. Cork blocks, boards, planks, slabs, rods or tubes, produced from cork waste or from granulated or ground cork, when for use in Canadian manufactures: British preferential tariff, free; intermediate tariff, free; general tariff, free.

Mr. DUNNING: The rating is unchanged. The only change is to alter the wording of the item so as to include "rods or tubes, produced from cork waste or from granulated or ground cork" used in the manufacture of cork products.

Item agreed to.

Customs tariff—505. Sawn boards, planks and deals planed or dressed on one or both sides, when the edges thereof are joined or tongued and grooved, n.o.p.: British preferential tariff, 17½ per cent; intermediate tariff, 22½ per cent; general tariff, 25 per cent.

Sir GEORGE PERLEY: Why is there a change in the wording of the item?

Mr. DUNNING: It is in consequence of the inclusion of the next item, and possibly it would facilitate matters if we discussed items 505 and 505a together. They are really parts of the one whole. The only change in item 505 is the addition of the letters n.o.p. Item 505a is an entirely new item in the Canadian tariff schedule. Up to the present hardwood flooring, if jointed or tongued and grooved, has been dutiable under item 505 at 17½, 22½ and 25 per cent; finished in any other manner they were given exactly the same rates, but were placed under item 506. By virtue of the Canada-United States trade agreement all hardwood flooring imported from the United States, and therefore from any most favoured nation country, is now

dutiable at 20 per cent. For many years the hardwood flooring manufacturers in Canada have sought a classification for their product in the Canadian tariff schedule, their plea being that the value of their product, and its importance in relation to the total value of our woodworking production, warranted a classification by itself. Further they have contended that the absence of a classification has made it difficult to trace imports and to secure reliable statistical data regarding trade. The present item, which has been framed to cover all hardwood flooring of beach, birch, maple and oak, however manufactured, meets the requirements of the flooring industry for recognition of their product in the schedule. The rates shown are those at present existing under items 505 and 506, namely 17½ per cent, 22½ per cent and 25 per cent.

Mr. BENNETT: What about the 20 per cent?

Mr. DUNNING: The intermediate rate which remains at 22½ per cent interferes in no way with the undertaking given the United States under the recent agreement to the effect that hardwood flooring imported from that country will be dutiable on importation into Canada at the rate of 20 per cent.

Mr. BENNETT: That is a preference of 2½ per cent for their flooring.

Mr. DUNNING: Yes.

Mr. STEVENS: Where is the 20 per cent mentioned?

Mr. DUNNING: In the Canada-United States treaty.

Mr. STEVENS: It does not appear in the tariff?

Mr. DUNNING: No.

Mr. BENNETT: Does that mean that other countries also enjoy the 20 per cent?

Mr. DUNNING: Any most favoured nation.

Mr. BENNETT: Then this item in the tariff would refer only to those countries which are not most favoured nation countries?

Mr. DUNNING: Yes.

Mr. BENNETT: There would be very few of them producing hardwood flooring.

Mr. STEVENS: No country with the intermediate tariff would be producing it.

Mr. BENNETT: Possibly Russia would.

Mr. DUNNING: The manufacturers desired a classification of their product, and thanked us for it, as a matter of fact. May