

*Duty on Cellulose*

In view of the importance of this matter to the whole business life of Canada, will the government take steps to improve the price of wheat and prevent further declines in the price of this very important commodity.

Right Hon. R. B. BENNETT (Prime Minister): The question can stand as a notice of inquiry.

## VALUATION OF POUND STERLING

On the orders of the day:

Mr. E. J. YOUNG (Weyburn): I would like to direct a question to the Minister of National Revenue. I have before me a memorandum of the Department of National Revenue, dated October 26, 1932, reading as follows:

The average value of the pound sterling declared by the department for special duty purposes is \$3.72 effective for entries during the period 1st to 15th November, 1932, inclusive.

Will not the effect of this memorandum be to increase the special duty on goods entering Canada from Great Britain?

Hon. E. B. RYCKMAN (Minister of National Revenue): The answer is yes, unless the value of the pound is changed from \$4.40. Consideration is being given to that matter and a different amount may be set as the value of the pound for special duty purposes. It now stands at \$4.40.

## DUTY ON CELLULOSE

On the orders of the day:

Right Hon. R. B. BENNETT (Prime Minister): Mr. Speaker, the question asked by the hon. member for Weyburn (Mr. Young) a few days ago cannot properly be answered by my department, but will be answered at once by the Minister of National Revenue.

Hon. E. B. RYCKMAN (Minister of National Revenue): Mr. Speaker, on the twenty-fifth instant the hon. member for Weyburn (Mr. Young) asked concerning an order in council dated October 3 with relation to item 200a appearing in the customs tariff, which covers regenerated cellulose and cellulose acetate, transparent, in sheets, not printed. The rates are free, ten per cent and ten per cent. In case there should be any doubt in the mind of the hon. member as to what this item really includes, I think one may say that the commodity herein mentioned is commonly known as cellophane.

[Mr. Coote.]

The fact is that in the month of June, 1931, there was made as a proviso to this item 200a the following:

Provided, that the governor in council may, when satisfied that regenerated cellulose, transparent, in sheets is being manufactured in Canada in quantity and quality sufficient for Canadian requirements, by order in council direct that there be substituted for tariff item 200a the following:

Regenerated cellulose, and cellulose acetate, transparent, in sheets, not printed, and manufactures of regenerated cellulose or of cellulose acetate.

And the rates, British preferential tariff, 20 per cent; intermediate tariff, 30 per cent, and general tariff 35 per cent. The government is satisfied that the condition provided for in this paragraph has been fully complied with, and in view of the obligation resting upon the government it has seen fit to bring the new rates into force. Those rates now stand, and will be exacted upon importation of these articles. The government feel, further, that these goods may properly and advantageously, without loss to any consumers, be manufactured in Canada. I believe this covers in detail the question which was answered generally by the Prime Minister on October 25.

Mr. E. J. YOUNG (Weyburn): Mr. Speaker, the minister did not grasp the point of my question. I did not ask what the legal rights of the government were in the matter. I asked if this action on the part of the government did not violate the spirit of section 14 of the United Kingdom agreement.

Mr. RYCKMAN: I thank the member for bringing that phase of the matter to my attention. That is something which was consummated in June of 1931. Representatives from Great Britain or elsewhere did not suggest for one moment that we should depart from any undertaking we had previously entered into, and I am sure we have not transgressed our rights in the matter.

## QUEBEC CENTRAL RAILWAY SHOPS

On the orders of the day:

Mr. C. B. HOWARD (Sherbrooke): Mr. Speaker, I should like to ask the Prime Minister this question: If he negotiates for the opening of the Angus shops will he include the Quebec Central railway shops situated in Sherbrooke and belonging to the Canadian Pacific Railway?

Right Hon. R. B. BENNETT (Prime Minister): Mr. Speaker, I think such a question is utterly improper, and it is based upon a contingency about which no information has, or can for the moment, be given.