

50 per cent duty but the retailer's profit on that duty as well. The first cost of the article was only \$500; the consumer has to pay \$1,300 for it. There are exceptions to every rule, and there are exceptions in the case of small countries lying adjacent to countries with large populations. With eight million people, a border line of some three thousand miles, and situated adjacent to a country of one hundred million people, if we in Canada have a commodity that has no world market value and which finds a market in the larger country, in every case the Canadian producer has to pay the cost of duty. For this reason many of the commodities that have no world market value are necessarily more or less of a perishable nature, and they are marketed through produce commission merchants. In other words, we must sell our commodity at the market price of the larger country. If we in Canada can sell our potatoes in Boston, no matter what the market price in Montreal or elsewhere in Canada may be, we must sell them at the price which the potatoes bring in Boston, less whatever the extra charge may be. If a duty is imposed, the result is that the price is that much less to the Canadian producer. That is absolutely true of all the fish that we export from Canada. Here let me point out what a boon it is for the people of Canada to have a free market for their fish in the United States. In Canada we have a small population and we produce a surplus of certain commodities that have no world market value; we must put those commodities on the nearest available market or not market them at all. Let me illustrate this in another way. From the north shore of New Brunswick we produce each year about 200 carloads of smelts. Canada consumes probably 10 per cent of that 200 carloads; the other 180 carloads find a market in the United States. That fish could not be sold on any other market at any price; therefore we are compelled, as a matter of course, to send them to the United States market and accept market conditions that exist when our fish arrive there. If the weather is stormy and the fishing smacks from New York and Boston cannot go out to the fishing grounds, of course the market is bare of fish and our product may rise in price. The weather also affects the price considerably, and I need not say that supply and demand has much to do with it. The point I wish to make is that the price on

the New York market will be the same, duty or no duty, and if there be no duty the net results will be that much better to the producer in Canada. When the duty was taken off live stock its value increased. The same also applies to fish and potatoes, as I will demonstrate a little later on. The removal of the duty against fish going into the United States has been a great boon to the fishermen. I do not know whether the minister was present when I mentioned that 382 tons of smelts were shipped from my own county in the month of February alone. Formerly, there was a duty of \$15 a ton, so that its removal meant a saving to the fishermen in one month alone of upwards of \$4,000.

Mr. BRADBURY: Did the fishermen get better prices?

Mr. LOGGIE: Prices were never higher than last year. One hundred and eighty carloads at \$15 per ton means \$27,000 in the pockets of the fishermen.

Mr. DAVIDSON: Did the fishermen get that?

Mr. LOGGIE: Yes.

Mr. DAVIDSON: Did the producer get the benefit of the removal of the duty?

Mr. LOGGIE: Without a doubt.

Mr. DAVIDSON: How much higher prices did the hon. gentlemen pay fishermen for smelts last year?

Mr. LOGGIE: Three-quarter cents a pound more than they would have got if that duty had been paid into the United States treasury. The resolution I wish to place before the committee has to do with this question of who pays the duties collected by the United States. Let me tell the committee what the exports of potatoes amounted to from New Brunswick in the months of October, November and December last. A table can also be got from the Customs Department giving figures for the whole year. There were shipped from New Brunswick in October, 200,829 bushels of potatoes valued at \$95,525; in November, 269,269 bushels valued at \$101,592; in December, 181,655 bushels valued at \$72,963; or a total for the three months of 650,753 bushels valued at \$270,080. The duty paid into the United States treasury was \$27,008 on the three months' shipments from New Brunswick alone.

Mr. EDWARDS: How do you account for the falling off in December?