

Customs Tariff

to build a new Consolidated Mining and Smelting Company plant for the development of heavy water. I believe that the uranium studies being undertaken in Canada are on the use of heavy water. Therefore why do we now have the importation of heavy water when, if my understanding is correct, Canada is not only one of the largest producers but one of the greatest experimenters in heavy water? Why do we import heavy water?

Mr. Fleming (Eglinton): The importing is done by Atomic Energy of Canada Limited. It was at their request that we provided for the extension of this item, which would have expired on July 1, 1960. It is to be extended to July 1, 1962. They found it necessary to make importations of heavy water from elsewhere.

Mr. Winch: During the last war I believe it was C.M. and S. that produced heavy water. Are they still producing heavy water? I am just now told that after the war that plant was closed down, so that Canada no longer produces heavy water, or C.M. and S. no longer produces heavy water. It is no longer produced in Canada.

Mr. Fleming (Eglinton): I do not know for a fact whether Atomic Energy of Canada is producing any heavy water, but I know they have assured the government that they require to import heavy water. These importations in 1959 to which I have referred were importations on the part of Atomic Energy of Canada Limited, and they have asked for this extension in order to obviate an increase in their cost of production.

Mr. Pearson: May I ask the minister whether, under our present regulations, it is possible for any individual or any private corporation to import uranium in any form into this country?

Mr. Fleming (Eglinton): I would not wish to give a positive answer on that matter. The fact is that there is no occasion for anybody to import uranium into Canada because Canada, after all, is a major producer of uranium. As I pointed out, there have been no imports and there is no reason to expect any. But this item is put forward in this form because of the fact that Canada is a substantial producer and this might be of assistance to us in our dealings with other countries.

Mr. Winch: May I ask one more question on this phase of the matter, as it is of great interest to me. I know for a fact that during the last war and for some time thereafter Canada was a big producer of heavy water. I am certain that my memory is correct that it was C.M. and S. that produced it. However, they have not been doing so now for

a number of years. Now that Canada has been undertaking—and here again I am certain that my argument is correct—in this field of atomic energy research studies which other countries have not been doing, namely in the use of heavy water in some phase of that research, and as Canada no longer produces heavy water or has ceased to produce heavy water and inasmuch as we require it—as the minister said, it was on request that our research and studies on this should be continued—may I ask then why it is that for our own research, undertaken at the expense of the federal government, heavy water no longer being produced in Canada, we put a 25 per cent general tariff on the importation of something that we no longer produce ourselves? Just what is the answer to that question?

Mr. Fleming (Eglinton): I am afraid the hon. member has misapprehended the effect of this item. The item merely renews for a further two-year period the free entry under the most favoured nation tariff of heavy water and uranium imports in the form specified.

Mr. Winch: Where else can you get it out-side of the most favoured nation countries?

Mr. Fleming (Eglinton): I am referring to the most favoured nation tariff. This will allow free entry under the most favoured nation tariff.

Item agreed to.

The Chairman: Shall part III carry?

Mr. Benidickson: No. This morning I referred to a brief from the interprovincial farm union which was presented to the government with respect to used farm machinery. Before we carry this page perhaps the minister should make a comment.

Mr. Fleming (Eglinton): Let me say this. There is nothing on this page or indeed in this bill that refers to used farm machinery. If the hon. member wishes to ask any questions about the importation of used farm machinery, the proper minister to whom to direct that question would be my colleague the Minister of National Revenue at the appropriate time.

Mr. Benidickson: As you know, Mr. Chairman, we are amending basic tariff item No. 409 of the Customs Tariff. This is the item which deals with a great many agricultural products. Certain important industries in this country have made representations suggesting that certain amendments would be appropriate when this parliament is considering, as we are now doing, amendments to the schedule to this particular statute.