

*Canada-U.S. Trade Agreement*

In connection with semi-manufactured articles possibly the tariff is added on; but natural products still sell in Canada in a supply and demand market, so that this is protection and not a bonus.

Mr. JOHNSTON (Bow River): Why is it then that most of the tomatoes we get from British Columbia are field tomatoes, though they raise but a small quantity of tomatoes in that province? Theirs are hothouse tomatoes raised by orientals, and there again we find protection for orientals in British Columbia. Field tomatoes are shipped by way of British Columbia and we get them in Alberta and are soaked again.

Mr. STIRLING: I do not know where the hon. gentleman gets his figures, and they are extremely difficult to follow; but I do know with regard to tomatoes that prior to 1930 there was against our tomatoes going into the United States a duty of a half a cent a pound. There is a duty of three cents a pound now. The duty is reduced from thirty per cent to fifteen per cent, and I notice that there will be no added duty in the future. Is that a statement of fact?

Mr. DUNNING: My hon. friend forgets the two cents specific duty in connection with this item by reason of the imperial agreement commitments.

Mr. STIRLING: It is to be not less than two cents a pound.

Mr. DUNNING: Two cents a pound.

Mr. STIRLING: What is the actual meaning of this phraseology: "Provided that the duty under any tariff less favourable than the British preferential shall at no time be less than two cents"?

Mr. DUNNING: That means what it says; it includes the rate applicable to the United States, and it shall not be less than two cents. That preserves the agreement made with the crown colonies under schedule F of the empire trade agreements.

Mr. STIRLING: And in that they are free.

Mr. DUNNING: Yes. In order to preserve that preference the two cents per pound minimum had to be imposed in this case.

Mr. BENNETT: The tariff for tomatoes is item (n) under vegetables, provided that when imported under the intermediate or general tariff the rate of duty shall be at no time less than two cents per pound. What has happened here is merely a continuance of that.

Mr. DUNNING: Yes.

[Mr. S. M. Clark.]

Mr. BENNETT: But there is no longer any special duty to be added under any circumstances.

Mr. HEAPS: I notice in this item that the boxes in which tomatoes are crated are valued for duty purposes. I do not mind paying a duty on tomatoes as they come into the country, but why should the consumer be compelled to pay a duty on the containers? Can the minister give any good reason why there should be a duty on the containers?

Mr. DUNNING: The Minister of National Revenue will answer that question.

Mr. ILSLEY: I am not sure that I heard all that the hon. gentleman said, but packages have been included in the past. If he will look at the customs tariff he will see that in reckoning the weight for duty purposes the packages are included, and this simply continues that practice.

Mr. HEAPS: That is what I am complaining of; I see no reason why the containers should be valued for duty purposes. I do not think we should pay duty on them and I am wondering whether there is any good reason for the practice.

Mr. ILSLEY: In this case we cannot help ourselves, because we agreed to preserve this margin in the empire agreements and it would be impairing the margin to make the difference which the hon. gentleman suggests.

Mr. HEAPS: How many tomatoes did we import last year from England?

Mr. DUNNING: It is not a matter of importations from England; it is with respect to the crown colonies that the preference was created.

Mr. HEAPS: Were the West Indies agreements a part of the agreements of 1932?

Mr. DUNNING: Schedule F of the imperial trade agreement.

Mr. HEAPS: What tomatoes were imported from the different parts of the empire in the last fiscal year?

Mr. DUNNING: From Bermuda, 68,697 pounds.

Mr. HEAPS: How many from the United States?

Mr. DUNNING: From the United States, 11,290,000 pounds.

Mr. BENNETT: Prior to 1930 we had to pay one-half cent per pound if we desired to send tomatoes into the United States, and we have to pay three cents per pound at the present time. We have cut the duty from