

Mr. ILSLEY: I was under the impression that the government could always at any time reduce duties by order in council.

Mr. RHODES: Specific items under section 11 of the Customs Tariff, but not with respect to favoured nation treatment.

Mr. ILSLEY: Is not that the only practical end that is to be sought, the reduction of duties on certain items? I do not see what practical difficulty the government meet without this amendment. Suppose they make a treaty with another country. Then they find that under that treaty goods are coming in at a lower rate than the rate charged against other British countries. They can immediately correct that situation without any amendment such as the minister suggests.

Mr. RHODES: That is all that the amendment proposes to do.

Mr. ILSLEY: But you do not need it; you can do it now.

Mr. RHODES: No, we cannot.

Mr. ILSLEY: Is it not well settled that duties may be reduced or removed?

Mr. RHODES: If there is a concession under section 11 of the Customs Tariff, but we may not be able to get a concession at all, in which event we could not concede a reduction to Great Britain unless this resolution passes.

Mr. YOUNG: I did not get an answer as to why (j) is included. If you have already the power to withdraw the most favoured nation treatment granted to any British country, why put in a clause giving you that power?

Mr. RHODES: If my hon. friend will look up the Customs Tariff he will find in section 4 the powers granted to the governor in council. He will find that paragraphs (a), (b), (c), (d), (e), (f), (g) and (h) are all parallel—grant withdrawals; grant withdrawals—by order in council. We are just following the same verbiage and the same course as is outlined in section 4 of the Customs Tariff. However, inasmuch as this resolution is to stand I do not know that there is any object in our pursuing the subject too far at this stage.

Mr. RALSTON: Does my hon. friend intend to move the amendment which he suggested?

Mr. RHODES: If it were a question of having this resolution put through as it is I [Mr. Ralston.]

would withdraw the amendment, or would not press it at all events, although I think it is desirable that I should ask for the amendment.

Mr. RALSTON: I suggest that we carry this resolution as it is.

Mr. RHODES: Inasmuch as one item is standing we might as well let this stand.

Mr. STEWART (Edmonton): Let this go through if my hon. friend is withdrawing his suggested amendment.

Mr. RHODES: If it were a question of clearing up the whole thing I would accept at once, but inasmuch as we have one tariff item standing—

Mr. RALSTON: What was the item?

Mr. RHODES: Hats.

Mr. RALSTON: I just wanted to look at that item. I think we can dispose of that.

Mr. RHODES: The amendment I moved is in conformity with the finding of the tariff board.

Mr. RALSTON: Does my hon. friend want to revert to item 569?

Mr. RHODES: If there is no objection, yes.

Mr. RALSTON: Referring to item 569 (i), 569 (ii), 569 (iii) and 569 (v), I wanted to look at the summary of the tariff board, which is on page 32 of the board's report. My hon. friend intimated that there was a reduction all along the line, which is quite apparent, except for one thing, and that is the fixed amount of 75 cents under the British preference, \$1.50 intermediate tariff, and \$1.50 general tariff. Perhaps my hon. friend could ascertain in respect of the articles covered by sub-item 569 (v) whether or not the amounts of the specific duty under the old item were greater than these amounts of 75 cents, \$1.50 and \$1.50, and if so what they were.

Mr. RHODES: In the case referred to the revision is downward. The old rates were 22½, 30 and 35 per cent, plus 60½ cents, 65 cents and 67½ cents.

Mr. RALSTON: The new rates are up under this particular item. I do not know whether my hon. friend has the right item before him.

Mr. RHODES: The old rate was 22½, 30 and 35 per cent, and, per dozen, \$1.80, \$1.95 and \$2.02½. These have been changed to 75 cents, \$1.50 and \$1.50. So that there is a reduction there also.