

Mr. STEWART: The United States is put on the same basis as the British preferential, including Australia?

Mr. DUNNING: They are not a factor in the trade at all.

Mr. HEAPS: Does it conflict with the empire trade agreements?

Mr. DUNNING: No, positively not.

Item agreed to.

Customs tariff—106. Fruits, prepared, in air-tight cans or other air-tight containers, the weight of the containers to be included in the weight for duty:

(a) Apricots, peaches and pears, per pound, 4 cents.

Mr. BENNETT: This item reduces the duty on canned fruits by twenty per cent. The most serious competition that Canadians have had to meet with respect to one of these items has been the competition from California; I think that is generally known. The West Indies production of pineapples marketed in this country, and the Singapore production, will also be affected. I cannot speak about the n.o.p., but the effect is merely to reduce the duty from the United States by twenty per cent and to bind the item at four cents, which is the present intermediate tariff. What I desired to know in the light of those facts was: What is the duty against our shipping canned fruits into the United States? We have already dealt with raw fruits.

Mr. DUNNING: On apricots, peaches and pears, thirty-five per cent. It was thirty-five per cent prior to 1930. That is an ad valorem tariff purely.

Mr. BENNETT: And there is no change?

Mr. DUNNING: No change.

Mr. HEAPS: I think this duty is somewhat unfair in its incidence; that is, the cheaper fruits, or fruits that might be lower priced, will be paying the same ad valorem duty as those of high price. Canned goods valued at twenty cents a pound will pay four cents duty, and the same article worth seven cents a pound will still pay four cents duty, that is four cents on seven cents worth as against four cents on twenty cents worth. The cheaper canned fruits, which are largely consumed, will have to pay a much higher rate of duty under this item. I think it would be much wiser if this duty were on a percentage basis. I would like to know why it should be as it is at present rather than on a percentage basis.

Mr. DUNNING: There is no change in the item. It has been administered in this way for a long time. I need not tell my hon. friend that it is very much easier to administer in this form in connection with this class of commodity. The question of value for duty of different grades of canned fruits is not an easy one. I think it had better remain in the present form, although there is a great deal in the argument of my hon. friend, which of course applies to specific duties wherever used.

Mr. HEAPS: This appears to be a specially bad one. A can will weigh about a pound on an average, possibly more. The value of the goods might be six or seven cents wholesale. I believe the duty on the lower priced fruits on this basis may be as high as 100 per cent. It may be true, as the minister has pointed out, that it has been in this form for a long time, but that does not excuse continuing something which is admittedly wrong. I know this agreement is now in effect; it is the law of the land practically; the goods are coming in on this basis at the present time, but I hope that when the opportunity arises the house itself will see that the unfairness of a tax of this character is removed and it is put on a more equitable basis.

Mr. POULIOT: The hon. member for North Winnipeg (Mr. Heaps) attaches much importance to the weight of the can.

Mr. HEAPS: No, the fruit.

Mr. POULIOT: Oh, I thought he was about to ask if the weight of the can was any consideration, or if the value of the can was to be included in the valuation of the canned article. The syrup or the sweet water that is with the canned fruit weighs more than the can. I wonder if the minister could tell the committee what is the weight of twenty-four empty cans as compared with the weight of the syrup contained in those cans.

Mr. DUNNING: I am afraid that question is beyond me.

Mr. POULIOT: Well, it is the same kind of question.

Mr. TUSTIN: What were the imports of this item during the past year?

Mr. DUNNING: Peaches and apricots together, from Australia, 2,275,000 pounds, valued at \$143,000. They came in at the one cent duty under the British agreement, of course, which constitutes another reason why it would be impossible at this time to apply an ad valorem basis of valuation, because