Customs tariff—208. Oxalic acid: British preferential tariff, free; intermediate tariff, 20 per cent; general tariff, 20 per cent.

Mr. COOTE: If the minister would give us the importations under each item it would expedite matters.

Mr. RHODES: The total importations last year under this item were $16,000, of which $12,000 came from Germany and $4,000 from the United States.

Item agreed to.

Customs tariff—208. Oxide of tin or of copper: British preferential tariff, free; intermediate tariff, 15 per cent; general tariff, 15 per cent.

Mr. RHODES: The importations last year, under the parent item from which this was selected, amounted to $57,000, of which $46,000 came from the United States.

Item agreed to.

Customs tariff—208. Sulphate of zinc and chloride of zinc: British preferential tariff, free; intermediate tariff, 20 per cent; general tariff, 20 per cent.

Mr. RHODES: The total imports last year amounted to $65,000, of which $40,000 came from the United States and $21,000 from the United Kingdom.

Item agreed to.

Customs tariff—208b. Bisulphate of soda or nitre cake: British preferential tariff, free; intermediate tariff, 20 per cent; general tariff, 20 per cent.

Mr. RHODES: The imports last year under this item amounted to $130,000. They came entirely from the United States.

Mr. SPEAKMAN: In connection with this item I should like to make a very brief comment, which I think will apply as well to other items. This is the class of item where the total importations are not very high and there are no importations whatever from Great Britain. I understand the hope is that Great Britain will replace other countries in supplying these commodities but it does seem to me that this must inevitably be at a higher cost. Where Great Britain exports an appreciable quantity of any commodity, even though it is a small percentage of the total, it demonstrates that she is able to compete and sell at the market price, but where she does not export, the assumption cannot be otherwise than that she was not in a position or was not willing to sell in competition with other countries and at the price then prevailing. If she is prepared to take over the market in a commodity such as this, it must be at an additional price. It seems to me that that deduction is not only logical but inescapable —if she could not sell at the price then obtaining, she will not be able to sell at the same price even though the market is her own. Her only hope of replacing other countries will be by a rise in price to such a point as will make sales possible. I may be wrong, and I hope I am, but it seems to me that that is the only logical deduction which can be drawn.

The question then arises whether or not the additional price to be paid by the people of Canada will warrant the diversion of trade. That is a moot point and my remarks in connection with this item will apply to others. This is not a large item and it may be possible that a slight increase in price may be made without great harm being done. If it were possible for Great Britain to export even fifteen or twenty per cent of the total importations of a commodity, it would show that her manufacturers were capable of selling at the prices then prevailing, but when she does not export at all, it seems to me that she will sell only at an increased price.

Mr. RHODES: I always listen with interest to the remarks of the hon. member for Red Deer (Mr. Speakman) because I know he approaches these subjects from a thoughtful and studious point of view. It may be that his reasoning is sound; if it is, all I can say is that those who have been complaining that when we enter the British market under a preference of ten per cent we shall not obtain any increase in price, must admit that the same argument works both ways. My own impression is that it does not follow that there will be an increase in price. There is only a limited importation of the commodity in question, and I think we should be safe in taking the position that this being such a relatively small matter, it was not worth while for Great Britain to attempt to fight for the market. However, now that she has a sheltered market to the extent of this small preference, it will be to her advantage to attempt to supply this market, and in doing so I think the price will take care of itself. That, of course, remains to be seen. I hope my hon. friend is right.

Mr. SPEAKMAN: I hope I am wrong. I might point out to the minister that the parallel he draws does not apply. In the case of the preference given by Great Britain there is a clause in the treaty which states that we shall not take advantage of the duty in order to raise prices; we must sell at world prices.