

*Customs Tariff*

505f: Southern yellow pine lumber, not further manufactured than planed on two sides, for use in the manufacture of flooring for motor trucks: British preferential tariff, free; most favoured nation tariff, free; general tariff, 25 per cent.

**Mr. Regier:** I wonder whether the minister would explain just what is involved in the change under 505f, southern yellow pine lumber. What was the rate before and what is the proposal?

**Mr. Fleming (Eglinton):** This is a new item which extends to the lumber in question the same tariff treatment when it is planed on two sides as has all along been applied when it is planed on one side only. This becomes necessary because of a change in practice in United States mills whereby it is difficult to obtain supplies of southern yellow pine planed on one side only.

**Mr. Benidickson:** I am sure the minister is correct. On the other hand I find it hard to reconcile that with the item as it appears, showing the proposed rate and the old rate on page 10 of the ways and means resolutions. There it was indicated that for an item of this importance, the former rate was British preferential 10 per cent and the proposed rate is free; the most favoured nation rate was 10 per cent and the rate now proposed is free.

I must confess that I was curious about this matter previously but forgot to raise the point when we were discussing it at the resolution stage. Is it simply a matter of planing on two sides as against one side only where we find a difference in rates?

**Mr. Fleming (Eglinton):** There is no change here in the case of lumber planed on one side only. It fell under these same rates previously. But formerly where it was planed on two sides it fell under item 505 and accordingly carried the rates of 10 per cent, 10 per cent and 25 per cent. This is designed simply to bring lumber that is planed on two sides within the scope of the rates applicable to lumber planed on one side only. This particular lumber is of a special kind which is required in the manufacture of Canadian truck bodies.

**Mr. Benidickson:** Did this enter in any way into the concessions? I find it is in the section dealing with concessions.

**Mr. Fleming (Eglinton):** Yes, this was included within the scope of our negotiations with the United States.

**Mr. Benidickson:** It is more than just a rewriting of the schedule for the convenience of our government. It was an item of tariff trading when it was decided to increase the rates of duties against certain imports such as textiles.

[Mr. Benidickson.]

**Mr. Fleming (Eglinton):** It had been asked for by the United States. It had also been asked for by our own Canadian truck manufacturers. Therefore it was a logical one to use in the negotiations.

**Mr. Herridge:** In listening to the minister's explanation about the planing of lumber on one side and on two sides, I was wondering whether he was aware of the fact that lumber is surfaced on one side or four sides. That is the custom.

**Mr. Fleming (Eglinton):** For the purpose of the Customs Tariff I am afraid it is not quite so scientific. It recognizes lumber planed on one side or planed on two sides. It is interesting to have the observation of the hon. member, but here the basis of distinction has been one side or two sides.

**Mr. Regier:** Can the minister tell us whether the Canadian lumber producers were consulted about this matter? I had heard previously that the policy of the government was in the first place to protect native Canadian enterprise as far as possible and in addition, if and when importation was necessary, to complete the manufacture within Canada in so far as was at all possible. I notice here an increase in importation and also an opening for labour to be employed outside of the borders of Canada. I wonder whether the minister can explain this matter. I have seen all kinds of floorings in motor trucks. They have been made up of all kinds of Canadian wood. At the moment I do not realize the urgent need for greater importation of southern yellow pine lumber.

**Mr. Fleming (Eglinton):** I have pointed out that this is a specialty. We are not dealing with it merely as an importation of softwood. It is a specialty used for a particular purpose. The Canadian Lumbermen's Association have been fully acquainted with the proposed change.

Item agreed to.

Customs tariff—236. Surgical dressings, antiseptic or aseptic, including absorbent cotton, lint, lamb's wool, tow, jute, oakum, whether imported singly or in combination one with another, but not stitched or otherwise manufactured; surgical trusses and suspensory bandages of all kinds; sanitary napkins, and abdominal supports: British preferential tariff, 10 per cent; most favoured nation tariff, 20 per cent; general tariff, 35 per cent.

**Mr. McMillan:** With regard to item 236, surgical dressings, I note that the rates are now 10 per cent, 20 per cent and 35 per cent. Can the minister tell us what the rates are at the present time?

**Mr. Fleming (Eglinton):** As the hon. member will be aware from the provisions that appeared in the resolution which was before