

to the tariff board, and what is the result? The result is that the duties imposed here to-day, the effective rates of duty against furniture entering this country from the United States, will still be 12 per cent below what they were one year ago on furniture coming from the same country. If one year ago the rate of duty in the intermediate column of the Canadian tariff had been the rate which is proposed here to-day, everyone would have regarded a 12 per cent reduction on furniture entering from the United States as a fairly satisfactory reduction. I think there is no doubt about that, because that was the attitude of the house with respect to many other items embodied in that agreement.

As the government of Canada we have to take into account the people engaged in manufacturing furniture, whether workmen or managers or whoever they may be, in just the same manner as we endeavour to give consideration to all other sections of the Canadian people. Now what do the government say? We find an admittedly disorganized industry. Following an examination by the tariff board we have a statement of facts brought out by the board with which I do not think anyone has quarrelled, although many have quarrelled with the conclusions drawn from those facts. I think that was the statement of the hon. member for Moose Jaw (Mr. Ross) and the hon. member for Saskatoon (Mr. Young) and others who have spoken. But there was a further recommendation, and a very important one, to which it is my duty to refer now. That is, having regard to the disorganized state of the industry, the lack of cooperation within it, the industry should be told, and is told in terms in the tariff board report, that it is necessary for it—the phrase “to put its house in order” has been used, but that is scarcely the correct phrase; I think it is correct rather to say it has been advised to apply those principles of cooperation within the industry which will enable it to resist influences without the industry which make it difficult for it to function successfully in this country, indigenous to Canada though it is, and one of our oldest industries, as has been said repeatedly. Those engaged in the furniture industry now know, as a result of what we are here doing, that they cannot sit back and presume that they can go on in the disorganized and non-cooperative way they are going on now. They know that the industry will again be reviewed, and I can undertake now on behalf of the government to say that the industry will again be reviewed, in the light of these decisions. Having regard to the state of the industry as revealed, and without discussing

broad general principles of tariff and free trade and what ought to be done on the basis of principle, I am here and now discussing what I believe to be a practical problem relating to the livelihood of close to ten thousand Canadians. This industry ought to be able to succeed in this country. It is an industry which I believe can be made to succeed, and it should I think have reasonable time for adjustment on the basis of a twelve per cent reduction of the protection against the United States which they enjoyed one year ago.

Item agreed to.

Customs tariff—523-1. Woven fabrics, wholly of cotton, composed of yarns of counts of not less than 80 and not more than 99, including all such fabrics in which the average count of the warp and weft yarns is not less than 80 and not more than 99: British preferential tariff, 12½ per cent.

Mr. DUNNING: That is the last of the four amendments of which I spoke. This item is already carried as regards the British preference rate, under the agreement. The budget item added intermediate and general rates, but since these would have entailed unintended increases against other countries this motion is to restrict operation of the item itself to the British preferential rate. It is a similar case to the one I dealt with Thursday night.

Item agreed to.

4. Resolved,—That schedule B to the customs tariff be amended by striking thereout tariff items 1060 and 1063, the enumerations of goods and the rates of drawback of customs duties set opposite to each of the said items, and by inserting the following items, enumerations and rates of drawback of customs duties in said schedule B.—

Customs tariff—1060. Paper of all kinds, when used by the publisher or printer in Canada in the production of periodical publications enjoying second class mailing privileges, the pages of which are regularly bound, wire-stitched or otherwise fastened together: portion of duty (not including special duty or dumping duty) payable as drawback, 75 per cent.

Mr. BENNETT: I greatly regret that this item appears here. This is an increase from 50 to 75 per cent in the drawback on certain kinds of paper brought into Canada. One of Canada's chief exports is paper, newsprint and pulp from which paper is made. Instead of developing a Canadian industry that would supply our magazines with paper we are now told that the publisher of any magazine that is stitched or bound who desires to import this paper may secure a rebate of 75 per cent of all the duty thus paid upon that paper. This is injurious to Canadian trade;