

## Customs Tariff

or too little? I thought my friend was following the same line of argument as the hon. member for Welland, that Canadian manufacturers of pipes and tubes were now being left without as much protection as they should have.

**Mr. Benidickson:** I do not believe the minister and his advisers have properly utilized the value of this tariff board report No. 119. The tariff board went into this matter very thoroughly, and I realize that some of the ministers best advisers have to be all over the world at various times of the year and cannot consistently and steadily study some of these problems. You will find in the middle of page 43 of the report that it says:

It appears to have been the policy of succeeding governments in Canada to alter the diameter specified in the main items, 397(a) as Canadian production came into being—from two inches and smaller in 1897, to 10½ inches as at present.

I do not know why the administration is sticking to 10½ inches as a criterion. After the tariff board has given careful study to this matter, you will find this reference—this is after examining all the people interested in the industry—at page 43, and I quote:

—pipes of the seamless type are now made in Canada by Page-Hersey up to and including seven inches in diameter; pipes welded (by various processes) actually are manufactured at present up to 16 inches and in the near future will be produced up to 36 inches in diameter.

My question is, if the tariff board attempts to give advice why do we stick to the old nomenclature in so far as some of these changes and departures from the tariff board recommendations are concerned? That is one point.

The other point that prompted me to rise was that we are dealing with item 397. It is inevitable that in dealing with 397 we would also have to consider 399 and, with the consent of the committee, we also held up item 384 in the basic iron and steel group. I do not think it will prove, in the end, an inadvisable step because we will pass them in a group. But with respect to 397, which is covered by recommendation 3A of the tariff board report I was going to raise a question as to where fittings and couplings might be found. The board recommended that these be included with pipes and tubes at the same rate.

I recall the minister, in his budget speech, reviewed some of the activities of the tariff board respecting these and other tariff item changes. He said that the recommendations that would come to us at this time would involve a simplification and consolidation of a great number of tariff items that probably were no longer needed in the quantity that existed in that big tariff schedule. The tariff

board referred to this particular item and said that since the proposed item provides for no distinction as to the diameter of the pipes to be admissible thereunder it will not be subject to varying rates on the basis of that criterion as is the situation at present under the many tariff items which, in the event of the adoption of item No. 3, will disappear from the schedule. In other words, the public would receive a much more condensed and simplified tariff schedule, but the minister has not accepted that recommendation. I rise, therefore, to ask, where do we find fittings and couplings? I think the minister, in his very helpful expositions tonight indicated that that will probably be found in item No. 400 rather than as the board recommended—

**Mr. Fleming (Eglinton):** It is found there.

**Mr. Benidickson:** —in 397. But I raise this question. If fittings and couplings had appeared in 397 as recommended by the tariff board, the British preferential rate would have been 12½ per cent, whereas under 400 it is 15 per cent. I say this is another insidious form of increasing tariffs against the importation of goods from Great Britain prior to a time when we are asking these people to get together with us on commonwealth trade agreements. I just wonder if the minister would explain why he did not accept the recommendations of the tariff board and why he has, as in so many other items of this schedule, rather insidiously increased here and there the tariffs against the British.

**Mr. McMillan:** I just want to ask the minister one question. What would the duty and drawback be, if any, on electrically welded pipe of 12 inches in diameter? The minister referred earlier to the fact that because of a decrease of 2½ per cent in the duty on skelp, it was a write-off for the most-favoured-nation duty of 20 per cent on that item. I suppose he meant a decrease from the tariff board recommendation, is that right?

**Mr. Fleming (Eglinton):** May I deal with the last point first, the point raised by the hon. member for Welland? There is no change in the present resolution with respect to the rate on electrically welded pipe of 12 inches in diameter for the transmission of gas.

**Mr. McIlraith:** There is no drawback now?

**Mr. Fleming (Eglinton):** No drawback, not at the present time. The rates remain at British preferential, 10 per cent, and most-favoured-nation, 15 per cent.

Dealing with the point raised by the hon. member for Kenora-Rainy River on 397, may I say that this is the basic pipe item and has no limitation in it at all with respect to the