

*Ways and Means—Customs Tariff*

per cent, five per cent and five per cent. The previous rates were:

	British		General Tariff
	Preferential Tariff	Intermediate Tariff	
	Per cent	Per cent	Per cent
453. . . . .	15	26	27½
408. . . . .	17½	22½	25
454. . . . .	20	27½	30
548. . . . .	20	22½	25

And the sales tax will also be taken off.

Mr. FANSHER: Why is there a limit put on well drilling machinery capable of drilling wells over 2,000 feet in depth?

Mr. ROBB: That was after conversation with people who were interested in the development of the deep wells, and they are satisfied this will give them the relief they desire.

Mr. FANSHER: I notice in the previous item the minister has given a reduction in the materials that enter into the production of those items. He will remember that last year there was a reduction of one-half of the bounty that was given to assist the oil producer, and on the last of June of this year the other half goes off. Most of the oil is produced from shallow wells, and the machinery that is used is not machinery such as is used to drill a well to a depth of 2,000 feet. Most of the oil produced in Canada at the present time is from wells between four and five hundred feet in depth. Last year the assistance in the shape of a bounty was reduced. Why not reduce the duty on the implements that enter into the production of crude oil?

Mr. ROBB: There has been no such request. As a matter of fact our information is that the same people who have the wells largely manufacture the machinery. My hon. friend will observe also that in this item we are providing for a rebate of 99 per cent on the materials entering into the manufacture of this machinery.

Mr. GARDINER: Has the minister taken into consideration the advisability of reducing the tariff on engines used for the purpose of running this well drilling machinery?

Mr. ROBB: I have not taken that into consideration.

Mr. GARDINER: Such reduction would be appreciated by people who have to buy this class of machinery. The cost of the power is a great deal more than the cost of the well drilling machinery. If we are to develop our oil industry in Alberta, I would suggest that the minister consider the advisability

[Mr. Robb.]

of reducing the tariff on engines required to operate these drills.

Mr. JELLIFF: I would like to impress upon the minister the idea expressed by the hon. member for Medicine Hat (Mr. Gardiner). These oil drilling outfits might properly be termed units. The different parts are built to work together in harmony; they are harmonized as to power, weight and strength. This is a good deal like letting in free or under a low tariff a clock or a watch with the mainspring left out. The reduction might well be made on the motive machinery as well as on other parts of the well drilling outfit.

Mr. COOTE: Might I emphasize that point as well, for the particular reason that in the state of Montana, just across the line, quite a number of professional well drillers, who own their outfits and who, I think, would in many cases like to come across to Alberta to drill wells for those who have leases in that district, under the present arrangement will be allowed to bring in their drill, but they must pay a duty of possibly 25 or 27½ per cent on the power attached that naturally belongs to that outfit? Although I would like to commend the minister for reducing this tariff to 5 per cent, he has fallen a little short in his duty in this regard.

Mr. ROBB: We do that frequently.

Mr. COOTE: I would like to see him include the motive power with these drills. The motive power that is put out with the drill when it is made is of the right size and capacity to run that drill. Sometimes, it is a little difficult for a driller in Canada to get the Canadian power that entirely suits his drill. I should like to impress that upon the minister, and I hope he will yet see his way to include the power with these well drilling outfits.

Mr. WARD: When the minister is considering the engine, I would like to suggest that he should change his regulation to include small drills for drilling wells for water. I cannot see why he should allow a drill drilling a four-inch hole to come in free and not a drill drilling a two-inch hole. There are many wells in western Canada that do not require to be drilled to a depth of two thousand feet. They go down three or four hundred feet drilling wells for water for farming, and such drills are entitled to just as much consideration as the oil drills.

Mr. FANSHER: While I appreciate very much the intention of hon. members from Alberta in trying to get a reduction in duty