

*Customs Tariff*

Several attacks have been made upon the industry, and the manufacturers have been told to put their house in order. I can assure the committee that in the past five years they have been doing this. One hon. member said there were 404 furniture manufacturing concerns operating in Canada. That may be true, but in 1935, eighty-one factories in Canada manufactured ninety per cent of the furniture produced.

Let me call attention to the increase in importations during the last six months of 1936. In July of that year the increase amounted to 281 per cent; in August it was 180 per cent; in September, 144 per cent; in October, 137 per cent; in November, 151 per cent; and in December, 183 per cent. I think I am justified in saying that the tariff board has been well advised in the report it has submitted in connection with this item and I am glad to know that the Minister of Finance has the courage to back up the findings of the board.

Mr. COLDWELL: I have listened with a good deal of interest to the discussion on this furniture item. It is true perhaps that in the aggregate the increase in duty does not amount to very much but the principle involved is one in which, I believe, most of us, at least those of us from western Canada, are vitally interested. I listened carefully to the statement the Minister of Finance made the other evening. I notice that there has been a disposition to blame the tariff board, and while I am neither condemning nor condoning what the board has done it must not be forgotten that the minister said quite explicitly the other evening that the government was not bound to accept the recommendations or decisions of the tariff board. Consequently we cannot shift the responsibility for this particular provision on to the tariff board; the government must assume that responsibility.

Mr. DUNNING: It does.

Mr. COLDWELL: I do not know whether a motion would be in order for the reduction of the rate of duty in this item but that is something that we should consider, and I was hoping that someone on the other side of the house, where the protest might be construed as being more effective, would make such a motion. With regard to the wages paid in these highly protected industries, the inquiry that has just been concluded proves that wages do not go up when tariffs are increased and that in the highly protected industries—in the textile industry, for example—the scale of wages is low. While we realize that this may afford work in our factories for some

[Mr. Tustin.]

who require it, in my travels around Canada—and I am not confining my remarks to western Canada—I find that the homes of the people are in a most deplorable condition. They need replenishing with furniture to meet the ordinary necessities of decent life. It was unfortunate, to put it mildly, that at this time this item should have been selected for an increase in the duty. I remind my western friends particularly of this, that in our discussions of wheat and wheat marketing especially, our protests on this point have been largely that our farmers have to sell in an unprotected market and buy in a protected market. That is the point I have made over and over again. I have felt that if tariffs were adjusted, my argument would be met to that extent. But here we find in the last days of the session the tariff on an item important to the consumers is being increased. I am tempted to move a motion, but I would rather see that motion come from the other side of the house. I am suggesting to those who have spoken in opposition to this increase that they bring the matter to an issue by moving an appropriate amendment to the item at this time.

Mr. DUNNING: In the short statement I made at the outset I indicated the reasons advanced by the tariff board with respect to this particular recommendation, and also the grounds upon which the government decided to recommend to the house the change here proposed. I have of course no objection to the criticisms of those who differ with respect to this item, although when the discussion branches into a general tariff argument perhaps I might be permitted to remind the critics behind me that this is the one item in some six hundred that have been before the house this session in connection with which any increase is proposed. I think it important to bear that in mind in passing judgment upon the government. As a matter of fact the reduction of a year ago on furniture, as I clearly pointed out at that time, was in consequence of extending to the United States, in the trade agreement then entered into with that country, most favoured foreign nation treatment, which made available to them automatically the provisions of the Canadian intermediate tariff all along the line. And not only that; it rendered available to them the provisions of the French treaty, which entailed a ten per cent reduction below the Canadian intermediate tariff on the item now under discussion. That came about by reason of the Canadian tariff structure as it existed at the time the Canada-United States trade agreement was entered into. At that time, I say again, this question was referred