

spinal braces and articles of that class are required only by those who are really in need of them.

Mr. CAYLEY: While the minister assures us that the cost will not be raised, will he hold out any hope that it may be lowered?

Mr. RHODES: As production increases costs may be lowered. A deputation which appeared before me today pointed out that they had only recently sent a very substantial order to the mother country for surgical dressings, and they were quite satisfied with the prices quoted. Representatives of three of the largest hospitals in Canada called to see me, and that was their reaction.

Mr. JACOBS: Did they come to express their satisfaction?

Mr. RHODES: I shall say that the conference was harmonious in every respect. In so far as this item was concerned there was no disagreement.

Mr. CAYLEY: Do I take it that the price is lower than it was? Is that why they were satisfied?

Mr. RHODES: I regret to say I cannot give that assurance.

Mr. CAYLEY: They would have no reason to be satisfied unless the price had been lowered. The hospitals are having hard times these days.

Mr. HOWDEN: As I understand the situation, the British preference remains the same, and the intermediate and general tariffs have been increased. A short time ago the minister said that in the past the large majority of these imports had come from the United States. If that is so one might expect that the price of these commodities would be raised. The British manufacturers are receiving no advantage because their preference is not being increased. We will do the British manufacturers no good, and the Canadian consumer will get the worst of it. I suggest to the minister that if at all possible the duties on the British commodities be removed altogether.

Mr. BLAIR: Hospitals are charitable institutions in these days, and I am sure many of the hospitals will suffer from the effects of this change. Reports I have received would lead me to that conclusion, and I think some consideration should be given to the matter. Hospitals are experiencing financial difficulties, and the minister must realize that by removing the tariff some help could be given to

them. We would do well to allow free entry of these items from Great Britain.

Mr. RHODES: We have received representations respecting other phases of the agreement, but we have received none in objection to this item. To the hon. member for St. Boniface may I say the result will be keen competition between Canadian and British firms for that share of the market which hitherto has been partly supplied by foreign countries.

Mr. COOTE: The minister says that the hospitals had no objection to the changes in this item, but some of the patients will object when they have to bear the costs incurred by the additional tariff. We are making a very bad mistake in increasing the general tariff to 35 per cent on articles such as spinal braces. If these new tariff rates are to stand I think item 236 should be split, so that such items as spinal braces could be taken out of that class on which the general tariff is to be increased from twenty to thirty-five per cent, because many of these will be brought from the United States and will have to pay the thirty-five per cent rate.

Mr. McGIBBON: The hon. member is mistaken; I think all these are made in Canada. There is not a hospital in the country that does not make them for their patients. We do not import them at all.

Mr. COOTE: I think the minister might give the importations.

Mr. RHODES: I gave the figures; I do not know whether my hon. friend heard them. I explained that the larger portion had no reference to the hospital and medical supplies which the hon. gentlemen had in mind when they made their criticism in the first instance.

Item agreed to.

Progress reported.

NEW GOVERNMENT LOAN

ANNOUNCEMENT OF COMPLETION OF SUBSCRIPTION

Hon. E. N. RHODES (Minister of Finance): Mr. Speaker, before the house adjourns, if I may be permitted I should like to advise the house that although it was contemplated in its inception that the time within which the new government loan could be subscribed would be continued until tomorrow, we have today passed the mark which gives us the complete sum required. This is rather encouraging in the circumstances, because I do not think it is generally recognized that this is the first time in the history of Canada