

*Customs Act*

to the appeal. I mention that as a matter of the use of words and not because it is very important.

Mr. LAWSON: In view of the fact that, barring unforeseen contingencies, the present minister will probably have the administration of this act, I cannot let him go on with any assumption that merely ascertaining cost of production in this country as against price quoted by a foreign country can determine the question which the tariff board must determine in any one of its appeals. I should dislike to find my hon. friend preaching such a heresy to the Liberal doctrines as enunciated by his party. Let me give him a concrete example. It is very easy to determine cost of production in this country, but it has developed in cases already before the tariff board that the cost of production in Canada in some particular industry may be unduly high because of inefficiency of production, because of obsolete machinery, because of inadequate methods of operation. How can the tariff board determine what is the cost of production in this country—let me say, efficient cost of production—except by ascertaining—

Mr. BENNETT: That is the sense of the statute.

Mr. LAWSON: As a matter of fact that is the provision of the statute, if my recollection is correct. How can the tariff board determine that question without ascertaining what is the cost of production in other countries, the methods, the wage scale, the machinery used and so on? I say to my hon. friend, from actual experience before the tariff board, that I know the board cannot determine some of the questions that must of necessity arise in appeals such as those contemplated here without ascertaining the cost of production in other countries, the efficiency of production, and so on. This tariff board, in my experience, has functioned particularly efficiently and I can assure my hon. friend that industries in Canada would have an easy time before the board in resisting applications for reductions in the tariff and in urging their own applications for increases if all they had to do was to prove cost of production under their method in Canada as against quotations from foreign competitors. I suggest to the minister that that factor as well as those suggested by the leader of the opposition and by the hon. member for St. Lawrence-St. George should be seriously considered before he asks this committee to adopt the section in its present form.

Mr. CAHAN: The minister dealt with the question of price and cost. Those are not [Mr. Bennett.]

exclusively the conditions that may be prejudicial. Section 43, subsection 1, relates to goods being imported into Canada either on sale or on consignment under such conditions as prejudicially or injuriously affect the interests of Canadian producers. I suggest to the hon. gentleman that he will not need to exercise his imagination for any length of time before he conceives of conditions which are not entirely dependent upon the invoice value presented by the importer.

The CHAIRMAN (Mr. Johnston, Lake Centre): Shall the section carry?

Mr. CAHAN: On division.

Section agreed to on division.

Section 10 (now section 7) agreed to.

On section 11 (now section 8)—Witness failing to attend, et cetera.

Mr. EULER: I beg to move that all the words after the word "is" in line 16 be struck out, and the following substituted therefor:

repealed, and the following subsection is substituted therefor:—

4. Every person who—

(a) being required to attend in the manner in this section provided, fails, without valid excuse, to attend accordingly; or

(b) being commanded to produce any document, book or paper, in his possession or under his control, fails to produce the same; or

(c) refuses to be sworn or to affirm, or to declare, as the case may be; or

(d) refuses to answer any proper question put to him by such officer;

shall, on summary conviction before any police or stipendiary magistrate, or judge of a superior or county court, having jurisdiction in the county or district in which such person resides, or in which the place is at which he was so required to attend, be liable to a penalty not exceeding four hundred dollars and not less than fifty dollars.

Mr. CAHAN: I am not going to raise the objection which was raised against me in one of the early years of the last government. The preparation of this bill has not conformed to the rules, because under the rules of the house with regard to the printing of bills you cannot amend by merely adding certain words to a section. I am not raising that as an objection, but I wish to state to the minister that one hon. gentleman associated with him in opposition not so long ago compelled me to withdraw and reprint a bill simply because the same mistake was made that has been made in drafting this bill for presentation to the house.

Amendment agreed to.

Section as amended agreed to.

Section 14 (now section 9) agreed to.