towers, its turrets and its portholes with guns at the door and no doubt a dungeon or an oubliette underneath. It reminds one of the robbers' castles on the Rhine that we used to read about as boys, to which all passers by were compelled to draw near and pay toll. Here is bulletin No. 3684, signed by R. W. Breadner:

Order in council P.C. 297, dated the 19th February, 1931, fixes and determines "a rate of discount of 20 per cent which may be applied to the prices of automobiles or other motor vehicles, excepting motorcycles, so published or listed by manufacturers or producers thereof; such published or listed prices, subject to deduction of a discount of 20 per cent, to be deemed and taken to be the fair market value of such goods on importation into Canada under the general tariff, and to be the value for duty thereof on such importation into Canada by others than consumers, provided, however, that such fair market value be not less than the price actually paid by the importer to the exporter for the goods, and that for duty purposes on importation of such goods into Canada where the discount allowed in the home market is less than 20 per cent, no greater discount shall be allowed from such published or listed prices than is allowed on sales of such goods in the home market to the consumers thereof."

What does that mean? Perhaps I can best explain it by giving a concrete case. Take a car that retails in the United States for $1,000, and is not manufactured in Canada. The wholesale price of that car in the United States would be $700. The wholesale price of that car to the importer in Canada would be the same, $700. The duty on that car would be 20 per cent of $700, or $140. The duty-paid value of that car would be $840. Add to that 5 per cent excise tax and one per cent sales tax, which are based on the duty paid value of the car, and which amount to $50.40, and we have on that car a total revenue to the government of $190.40. That brings the price of the car, duty paid at our border, up to $890.40. On top of that the dealer has to pay freight and has to add his commission. Under these new regulations the Department of Customs says the value for duty on that car shall be $800 and not $700. What happens? The value for duty is $800; the rate is 20 per cent. Twenty per cent of $800 is $160. The duty paid value then is $960. I wish the Minister of Customs and National Revenue would listen to my remarks, because I think if he understood what he has done he might be willing to correct his mistake. The duty paid value of that car is $960. Add to that the 5 per cent excise tax, and one per cent sales tax and you have a total revenue to the government on that car of $217.60.

M. LAVERGNE: Why not?

Mr. YOUNG: There is $217.60. That is the revenue to the government on that car. The Customs department, however, does not stop there. They say to the man, "What did you pay for this car in the United States?" He replies, "$700." They say, "You should not have paid $700 for that car; you should have paid $800 and because you have dared to buy the car in the United States for $700 when you should have paid $800 we will fine you another $100 in the form of a dumping duty, and that is exactly what is done. My hon. friend may laugh, but that is what his department has done and I have proof of it over the signature of his own commissioner of customs.

An hon. MEMBER: What is the effect of it?

Mr. YOUNG: The effect is this: Before this regulation became operative the car of which I am speaking was selling at retail in Canada for $1,187. To-day in order to give the dealer the same commission as he got before, the car would have to sell in Canada for $1,347.

Mr. LAVERGNE: What is the commission the dealer receives?

Mr. YOUNG: You are depriving the dealer of his commission. This regulation was deliberately passed to put both the dealer and the importer of American made cars out of business.

Let us suppose the purpose of this action is accomplished. The dealer is put out of business. In what position then is the citizen of this country who wants to buy that particular car? What will he do? He will have to go over to the United States and buy that car at the retail price of $1,000. He will have to pay a 20 per cent duty on the $1,000 valuation and on top of that the sales tax and the excise tax which brings the price of the car up to $1,272.

Mr. MORAND: Why not buy a Canadian car?

Mr. YOUNG: I will refer to the Canadian car in a moment.

Mr. BROWN: Surely a man ought to have the right to buy the car he wants.

Mr. YOUNG: As I said, the object of this regulation is to stop the importation of these cars into Canada and to have them manufactured in Canada. Let us suppose for a moment, as suggested by my hon. friend from Windsor (Mr. Morand) that importations are stopped and the cars have to be made in Canada. Of cars valued at less than $1,200 we import some