

have been complied with, and that if you will give us the money we will proceed and put on the clerks. That is all very good, but the representatives hold the purse strings, and when he comes to have them unloosened to the extent of four second-class clerks, the hon. minister has to give some reasonable reason why four second-class clerks are necessary.

Mr. PATERSON. Certainly.

Mr. FOSTER. Why are they necessary ?

Mr. PATERSON. That is right, there is no doubt ; but that is not the point that my hon. friend (Mr. Barker) was examining. I may say in a general way that owing to the provisions of what is known familiarly as the Dumping Clause Act, and the regulations that we have had to make, and the steps we have had to take, in order to ensure compliance with the law, additions to the staff have been necessitated. We feel sure that we cannot get along with less than this number if the work is to be done efficiently, as no doubt it is desired to be done. Therefore, we propose to transfer, if the committee sanctions this expenditure that we are asking for, from the outside staff of the Board of Customs four officers. The Board of Customs is connected with and is paid for out of the outside vote, the reason being because the work which is done here now in Ottawa in the central office is really outside work that used to be done at the ports in days gone by. But when it was thought desirable to get out a statement of exports and imports and of the general trade and commerce of the country once a month, and it could only be accomplished by bringing those who were engaged in the work of the outside ports to Ottawa and having all the information furnished here, it was decided to make that change. Therefore, there are men in the office who are well qualified for the inside service for the checking of invoices and so on, and that work will now be done more thoroughly than heretofore, and it has been thought desirable to bring some of the gentlemen who have had experience in dealing with these matters from the outside to the inside service.

Mr. FOSTER. These four men you propose to transfer ?

Mr. PATERSON. Yes ; they have been engaged in this work for some time past. They have been engaged here doing the work, but they have been paid out of the vote for outside work. As this work may properly be considered to be inside work, I think it would be more regular that we should ask that they be placed on the permanent list in the inside service, and that they should be paid from the inside vote, and therefore we come before parliament with this vote. The gentlemen we propose to transfer from the outside staff of the Board of Customs and whose salaries

we propose shall be paid from the vote of the inside service are Messrs. Heintz, McCaffrey, Richards and Ross. Mr. Heintz entered the service in Winnipeg in June, 1882. Mr. McCaffrey entered the service at Montreal in September, 1884. Mr. Richards entered the service at Fredericton in 1878, and Mr. Ross at Rossland in July, 1898. As I was explaining to the hon. gentleman, we established the statistical branch here. These gentlemen had been engaged in compiling the statistics at the various ports I have mentioned. When we transferred all of this work to the statistical office at Ottawa we brought here the officers who were doing the work at these different ports, as they were not required at the ports, and having had large experience, we have assigned them to important work in the check department.

Mr. FOSTER. What salaries do they receive ?

Mr. PATERSON. Mr. Heintz, and Mr. McCaffrey receive \$1,200, Mr. Richards \$1,200, and Mr. Ross \$1,250.

Mr. FOSTER. Do they start here with the same salary as they had outside ?

Mr. PATERSON. I think they do. Coming into the inside service they will get the statutory increase, which does not apply to the outside service.

Mr. FOSTER. What kind of work is imposed on them by the dumping clause ? Are they dumping up in Winnipeg ?

Mr. PATERSON. No. It has always been the law of Canada since confederation, that the duties should be levied upon the value of the articles in the country of export at the time of export. It is our duty to see that that is done. An improvement, as I consider it, was made a few years ago. The old system was that a person buying goods from a foreign country and importing them had to have affixed to the invoice a certificate made by the party from whom he purchased the goods, certifying that the price given was correct. The seller might sell the goods at from ten to twenty per cent below the current market price to the Canadian customer, and that being a bona fide transaction between himself and the buyer he could quite honestly attach the certificate because it was correct as to the transaction between the two individuals, and we of course never questioned the right of a man to sell his goods at any price he chose, but the law imposes on the department the duty of saying that the duty must be levied upon the value of the goods as sold in the country of export. Therefore that certificate was changed and it was required that the exporter should certify that the prices mentioned were the prices at which the goods were sold in the country of export, and if there was any variation in that regard it was noted in the