

Supply—National Revenue

was a difficult one to administer. We do have more and more requests for that. One of my problems every week is to deal with applications for "Made in Canada" rulings and it is one without which we could not administer the features of the dumping act and many others.

The hon. member for Hull raised the question of the E.24 being in French and English and thought that we could combine the two languages on the one form. We are certainly prepared to take a look at that although I think my officials would say rather whimsically that they have enough trouble with the form in just one language and that if we had both languages on the form the confusion would be more confounded and the minister more damned than at the present time for having to enforce that section. But we will look at the matter.

I think that covers the matters raised.

Mr. Pearson: I did ask a question about the Russian treaty and the procedures for valuations under that treaty.

Mr. Nowlan: Yes. The Leader of the Opposition asked about the procedures which would be followed with respect to goods to be imported from Russia pursuant to the Russian trade treaty. The procedure there is one which is the normal procedure of the department, what we call the third country procedure. In the case of Russia we are dealing with a state-controlled nation where free marketing as we know it does not exist. Therefore we cannot estimate the value for duty purposes in the way we would with respect to goods imported from other countries. So the responsibility falls upon the Minister of National Revenue to devise a method whereby value for duty may be determined, and I propose dealing with imports from Russia and similar countries by invoking the third nation principle; to try to fix a valuation based on that of a similar product from a country where conditions are as comparable with those that obtain in Russia as possible.

There has been a great deal of misunderstanding about this. It has been suggested that the Minister of Trade and Commerce made a deal about oil. One would think from some of the things that have been said that this country is being flooded with Russian oil and Russian motor cars. As a matter of fact, there is not a gallon of Russian oil in the country, and outside the members of the diplomatic corps who may have one or two Russian cars, there is not a Russian car in the whole country.

There have been discussions between my officials and prospective importers and with

officials of the Russian embassy here as to what method would be followed. That situation has been clarified, but at the moment there are no goods of that nature being brought in, either cars or gas, and no value for duty has yet been assessed by officials of my department.

Mr. Pearson: May I ask the minister if the procedures which he says his department is working out will be influenced in any way by the obligation in the new treaty to import—I forget what the actual figures are—about half as much in valuation as we export. Will that have any influence on the procedure? Further, am I right in saying that at the present time there is no change from previous procedures with regard to Russia? May I finally ask the minister whether it is contemplated that an official of the Department of National Revenue should be stationed in Moscow for this purpose?

Mr. Nowlan: There has been no change in the procedure whatsoever. Of course, attention has to be given to all facets of every problem but certainly in fixing this valuation we have to be guided by the facts as we find them and by the values which exist in comparable areas, if comparable areas can be found, as I think they can. Much as we may want to encourage an increase in trade—and we would be very pleased to see such an increase—we cannot allow that to influence us in fixing values on the basis of a proper comparison. On the advice of my officials I will try to find markets where the conditions are as closely comparable as is possible to find with conditions existing in whatever part of Russia these goods may originate.

As far as the sending of an official to Moscow is concerned, that matter has not yet arisen. It may be necessary to do so, but we have no immediate intention of doing so.

(Translation):

Mr. Valade: Mr. Chairman, the present plight of the confectionery and pure chocolate industry in Canada has been brought to the attention of the Minister of National Revenue (Mr. Nowlan), and I thought he would have given us the views of his department on the matter, because I know the minister is aware that that industry is facing serious competition from importers who are putting chocolate products on the market at a price lower than the costs to Canadian manufacturers. Might not the minister, with the