

men at the port will open the car for you, and you go ahead and pay the duty and do business. Before ten o'clock, when the customs opens, you have the contents of your car partly sold, and then a dispute may arise which forces you to pay extra duty when you should not do so. I know of a case at Toronto where some imported product, I think it was lettuce, was bought f.o.b. at \$1.50, and the appraiser, by arbitrarily putting on it a value of \$2.00, forced the importer to pay an extra thirty per cent duty, equal to fifteen cents per half dollar. Things like that are happening all the time, and I do not think it is right for the government so to harass and worry people in trade, because goodness knows they have enough other matters to worry them. Things are getting to such a pass that a business man can spend half his time fighting regulations and changes in regulations under the customs law, and I hope the minister will give these people some consideration. A number of men in the trade in Toronto, and probably others in Montreal and Ottawa, have coming to them, legally, a certain amount in rebates, and one purpose of this bill is to deprive them of what is coming to them. It is absolutely unfair thus to make legal an illegal act. I have always upheld the dignity of this house, whether the government in power was Conservative or Liberal, but by doing things like this we are resorting to the kind of tactics one sees in the Ontario house. I ask the minister not to do something which will harass the trade and steal out of their pockets what they are entitled to get in the way of rebates. That is what the whole thing means, and one might as well say so plainly.

Mr. ILSLEY: I think this section requires some explanation. The hon. member for Parkdale (Mr. Spence) has brought the matter forcibly to the attention of the committee. Certain practices were resorted to by the ministers, commissioners and assistant commissioners of customs in 1931 and 1932 and the following years to which importers took objection, and there has been some protest against the manner in which fruits and vegetables were valued for duty purposes.

Mr. BENNETT: Perhaps the minister would state the details of it, because I think it would be well to have it on Hansard.

Mr. ILSLEY: I may say that two petitions of right have been—

Mr. BENNETT: I do not mean that; I mean as to how the values for duty are fixed.

[Mr. Spence.]

Mr. ILSLEY: Shortly before Great Britain went off the gold standard our currency was at a discount as compared with United States currency, and certain values for duty purposes of fruits and vegetables were fixed under section 43. The commissioner of customs of that time interpreted the order of the minister as fixing the values in United States rather than in Canadian currency, and gave directions accordingly to the collectors. The result was that more dumping duty was collected than would have been collected had the orders of the minister been interpreted as referring to Canadian currency, and the amounts of duty that were calculated on that basis were taken in the period between November, 1931, and May or June, 1932. Those dumping duties are the basis of a petition of right which was filed in 1936. A fiat has been granted and the case is pending in the exchequer court at the present time. That is one irregularity which is complained of by a certain number of exporters. Certain other irregularities or alleged irregularities in the imposition of these dumping duties are complained of. They are these:—

1. That valuations were fixed without authorization by the governor in council, the contention being that once a value has been fixed the authority is exhausted.

Mr. BENNETT: As a matter of fact there was an order in council that authorized the minister to fix, the contention being that that applied only to a single case.

Mr. ILSLEY: That is the contention of the importers, and refund claims have been presented to the department based upon that alleged illegality or irregularity.

2. That the orders in council authorizing the fixation of values were not published in the Canada Gazette, as required by statute. My information is that the department was late in publishing a few of the orders, but that all of them were actually published.

3. That the values fixed were not published in the Canada Gazette as required by statute; that is, within the time required by statute.

4. That no authority existed for a ruling to the effect that the values were fixed in terms of the currency of the country of export.

5. That the fixing of values at an advance on the invoice value does not constitute a fixation as contemplated by section 43 of the customs act. Section 43 authorizes the fixing of values, and the Department of National Revenue fixed these values by a certain method, that is, an advance on the invoice