

have in stock some unused machines of the lines recently sold and these would be obsolete when compared with the new machines.

Mr. EULER: Is the hon. member suggesting that these new machines which he calls obsolete should be permitted to come in at a price lower than the cost of manufacture?

Mr. MacNICOL: Provided they are not manufactured in Canada, yes. A few days ago I visited a plant with a line of machinery nearly 800 feet long. Some of that machinery would come under this category when Canadian companies are compared with companies which are manufacturing similar lines in the United States and which have new equipment.

I do not see in this bill any protection against dumping. On the other side of the line and in other countries outside Canada there are many types of goods made in enormous quantities as compared with the production in Canada. I have in mind the manufactures of iron and steel and cast iron. I know of plants in the United States which melt approximately 500 to 1,000 tons of iron a day and which manufacture a line similar to that manufactured by plants in Canada melting only twenty-five to 100 tons a day. For instance, take the manufacture of motor car parts. What protection has the Canadian motor parts manufacturer who melts only twenty-five tons a day against the dumping of parts manufactured by a company in the United States melting 500 to 1,000 tons a day?

At six o'clock the Speaker resumed the chair and the house took recess.

After Recess

The house resumed at eight o'clock.

PRIVATE BILLS

SECOND READINGS

Bill No. 39, respecting The Northern Trusts Company.—Mr. Maybank.

Bill No. 40, respecting The St. Lawrence and Adirondack Railway Company.—Mr. Chevrier (Stormont).

Bill No. 41, respecting The Ottawa and New York Railway Company.—Mr. Chevrier (Stormont).

Bill No. 42, respecting The Trust and Loan Company of Canada.—Mr. Vien.

Bill No. 44, for the relief of Ruth Fitzrandolph McMaster.—Mr. Jacobs.

Bill No. 45, for the relief of Agnes Mercer Daniels.—Mr. Jacobs.

Bill No. 46, for the relief of Gerald Thompson Miltimore.—Mr. McKay.

CUSTOMS ACT AMENDMENT

The house resumed consideration in committee of Bill No. 11, to amend the Customs Act—Mr. Ilsley—Mr. Johnston (Lake Centre) in the chair.

On section 5 (now section 3)—Cost plus reasonable profit.

Mr. MacNICOL: When the committee rose I had begun to make one or two observations in reference to section 5, which is the new section 36 having to do with cost plus reasonable profit. I was asked, by the Minister of Trade and Commerce, I believe, this question: Is the hon. member suggesting that these new machines which he calls obsolete—my words were, "obsolete to a certain extent"—should be permitted to come in at a price lower than the cost of manufacture? I believe I replied to that, "yes"; but I did not mean: Yes, lower than cost of manufacture. What I meant was: Lower than this section would call for. What I had in mind was that the following words are struck out of the section as it stood and do not appear in the new section:

... and the minister shall be the sole judge of what shall constitute a reasonable advance in the circumstances and his decision thereon shall be final.

These words, which have been deleted from the new section, constituted in my opinion a protection inasmuch as, on the one hand, they prevented this market from being flooded with cheap material and, on the other, did not prevent the importation at a reasonable price of machinery that would not be made in this country because of the small demand for it. The section as it stood would not prevent the importation of such machinery at a price which the minister would determine as representing a reasonable amount of profit over cost. In connection with the prevention of imports into Canada of material made in very large quantities, principally in the United States, at prices with which Canadian manufacturers cannot compete, I felt that the words that had been struck out afforded a certain amount of protection to Canadian employment. All I have in mind in the remarks I am making is the safeguarding as far as possible of employment in industry in Canada. Last week in Toronto I came across a circumstance which, I think, will illustrate my point. I am referring now to a well known line of faucets or taps or bibs used by plumbers and steamfitters, a fairly high class line which is made in this country and was sold to the trade at approximately \$7.50 a pair. I am informed that similar lines are now brought into Canada and sold