

Mr. KENNEDY (Glengarry): Would the minister state whether or not in his opinion the act should be applied where there is no serious cutting of prices as between the country of origin and the price in Canada?

Mr. ROBB: Five per cent is the regulation.

Mr. KENNEDY (Glengarry): It only applies to dutiable goods.

Mr. ROBB: I will give my hon. friend an instance. The hon. member for North Toronto (Mr. Church) a few moments ago made a representation regarding undervaluation. We have had a lot of representations placed before us with regard to the importation of manufactured goods. But I recall an instance just about a year ago when there was complaint from the dairymen of this country who claimed large consignments of butter were shipped in from New York at a price far below the market value. What happened was this. There was a surplus of butter on a certain day in New York and the price went down. They shipped thirty or forty cars into Canada and the price in New York went up immediately. Our dairymen represented to us that the "fair market value" should not be the price on a day when there was a large surplus but the price the day before the goods were shipped, or the day after. Thus hon. members will see that the dumping clause applied to other than manufactured goods.

Mr. KENNEDY (Glengarry): That was not my question. What the minister states is true in the case of articles where there is a serious fluctuation in the price either in Canada or in the country of origin. If the firm importing into Canada are not seriously cutting their prices in order to interfere with Canadian manufacturers, should the dumping clause be applied?

Mr. ROBB: The regulation, as I pointed out to my hon. friend a moment ago, allows five per cent.

Mr. KENNEDY (Glengarry): Only in respect to dutiable goods.

Mr. ROBB: Yes.

Mr. KENNEDY (Glengarry): In respect to goods that come in free, there is no five per cent differential. May I repeat the question again? In respect of free goods where there is no serious fluctuation in price, and where there is no intention to cut the price under that of Canadian manufacturers, should the dumping clause be applied?

Mr. ROBB: That is all a matter of opinion. I imagine the dairymen of this country, had

butter been on the free list, might have raised exactly the same complaint as they would if butter was paying a duty.

Mr. KENNEDY (Glengarry): That may be very true, but may I repeat my question?—because the minister has not yet answered it. What I would like to know is the policy of his department. In certain cases or in any case where there is a cutting of prices to undersell the Canadian producer of natural or manufactured products, the department applies the dumping clause. I ask him: In cases where there is no serious fluctuation in price and where there is no attempt to undersell the Canadian manufacturer, should the dumping clause be applied?

Mr. ROBB: I will ask my hon. friend if he knows that it has been applied under such conditions?

Mr. KENNEDY (Glengarry): I would like to have a statement of policy of the department.

Mr. EVANS: Some years ago I had reason to believe that agricultural implements bought in the United States in the regular way at the price at which they were sold to the trade there, came under the dumping clause here.

Mr. ROBB: This government has largely removed the complaint of my hon. friend regarding agricultural implements.

Mr. BRETHEN: Is it not a fact that today American automobiles are priced, not at the American valuation, but at a supposed Canadian valuation?

Mr. ROBB: I will read the law as it is. I am not administering the law:

In the case of articles exported to Canada of a class or kind made or produced in Canada, if the export or actual selling price to an importer in Canada is less than the fair market value of the same article when sold for home consumption in the usual and ordinary course in the country whence exported to Canada at the time of its exportation to Canada, there shall, in addition to the duties otherwise established, be levied, collected and paid on such article, on its importation into Canada, a special duty (or dumping duty) equal to the difference between the said selling price of the article for export and the said fair market value thereof for home consumption.

Mr. BRETHEN: Some time ago I made an examination and went to the trouble to interview some dealers in this city who are selling automobiles. There was a standard price for American machines as advertised in all the American papers. There was no fluctuation in the price. I was informed that that price was not accepted under the customs tariff, but that an arbitrary Canadian price