

selling price of the article for export and the said fair market value thereof for home consumption; and such special or dumping duty shall be levied, collected and paid on such article, although it is not otherwise dutiable:

Provided that the said special duty shall not exceed fifteen per cent. ad valorem in any case; and the following goods shall be exempt from such special duty

The weakness of this section is the difficulty of quickly ascertaining "the fair market value of the same article sold for home consumption" in the country of origin. This is particularly true in respect to goods of a perishable nature, the harvest season for which is short. A fresh fruit offers itself as an apt example.

Retaliative Legislation

Section 7 of the Customs Tariff provides for the application of the surtax. The Section may be applied for two reasons, the first being:

Goods imported into Canada the product or manufacture of any foreign country which treats imports from Canada less favourably than those from other countries, may be made subject by order of the Governor in Council in the case of goods already dutiable to a surtax over and above the duties specified in Schedule A to this Act, and in the case of goods not dutiable to a rate of duty, not exceeding, in either case, twenty per centum ad valorem.

Sub-section three of this section gives the Governor in Council power to apply the surtax to any or all goods. The second reason granting the power to impose a surtax is: