

Customs Act

I wish to ask this. Let us suppose that I am an importer, importing something that is highly necessary and that is coming in to meet the needs of consumers. It comes in under this section, and inquiry has to be made. Will the minister tell us exactly what happens to me as an importer? There has been a good deal of talk as to the effect of the bill, that it may have no effect except to slow things up. There has been reference to protection in the United States, which we have constantly criticized; and it has been suggested—and I do not know with what warrant—that this may be perhaps unintentionally a renewal of some of their practices.

I wish to know, play by play—no, this thing is serious; I will say step by step—exactly what happens. I am an importer, and I want to import goods. Will the minister tell me exactly what inquiries are made, how long they are likely to take, and just where I am left during that period, as an importer.

We cannot have it both ways. If it is going to be a delay-action measure, then it will bother me as an importer and also bother all the people whom I am serving in a useful manner. I wish the minister would tell us what happens step by step, and what inquiries he is going to make. Let us take any article; he can select it, if he wishes. How does he find out? It is not an easy matter to find out the average price weighted as to quantity at which like or similar goods were sold for consumption in the country of export during a reasonable period.

That is not a very easy thing to find out. I should like to know how it is going to be done, and the inquiries involved, and what delay there might be. I submit that is all relevant material.

Mr. McCann: I am glad to answer that question. The importer gets a bill of goods. He goes to the customs office or he sends his customs broker there to clear that bill. In the meantime that bill of goods has been opened and examined by our appraisers. If they are textiles—and we have been talking about textiles—the work will be done by an appraiser who has been trained in the valuation of goods of that particular industry.

I just wish to interject at this point that we appear to lose sight of the fact that this whole section has to do with valuation for duty. The question must be asked whether it comes under subsection 1 or subsection 2 or subsection 3. Subsection 2 deals with goods when the market value is unascertainable, and subsection 3 with goods where the value or the equivalent is not ascertainable. Then the other two subsections, 4 and 5, have

[Mr. Macdonnell.]

to do with the amount of tax not included, and the statement that the governor in council may order that import duties be disregarded. Then in order to strengthen this whole thing we are adding this subsection 6, which has to do with valuations.

Let me go on to what I was attempting to say with regard to procedure. We will take, for example, the textile appraisers who are trained in the valuation of textiles, and who would make the appraisal of that bill of goods. If they find that—

Mr. Macdonnell: Would the minister permit a question?

Mr. McCann: Yes.

Mr. Macdonnell: Would I be correct in thinking that the first thing they have to do is determine whether these goods come within the meaning of the words “as the result of the advance of the season or the marketing period”?

Mr. McCann: That would be one of the things, but perhaps not the first. They will follow the routine, which is as plain and simple as it can be, in the act. The routine in respect of valuation for duty is here determined. First of all—

Whenever any duty ad valorem is imposed on any goods imported into Canada, the value for duty shall be the fair market value of such or the like goods—

Then the next subsection:

(2) When the fair market value of any goods is not ascertainable under subsection (1) the value for duty of such goods shall be the nearest ascertainable equivalent of such value.

Then the next:

(3) When neither the fair market value nor the equivalent of such value can be ascertained, the value for duty shall be the actual cost of production of similar goods at date of shipment to Canada, plus a reasonable addition for administration, selling cost and profit.

In connection with the appraisal of these goods, we have exhausted those three subsections. The remaining two subsections, as I pointed out earlier, are not directed to value. They are in the nature of additions.

Then we come to the addition of subsection 6 where we say:

(6) Notwithstanding anything in this act, where the market price of any manufactured goods in the country of export has, as the result of—

Two things:

—the advance of the season or the marketing period, declined to levels that do not reflect in the opinion of the minister their normal price, the value for duty shall be the amount determined and declared by the minister to be the average price, weighted as to quantity, at which the like or similar goods were sold for consumption—

And so on. So the appraiser goes through that, and if the fair market value is the