

be entered against the Government. The reason which is given for this state of the law is, that it prevents vexatious suits against the Crown by persons who would not be responsible in case they lost their suit. I think that purpose would be served by a provision requiring the suitor to deposit security in advance. However, I am not discussing what powers the Crown ought to have in such cases, but I am pointing out powers they have, for the purpose of drawing the inference that the exercise of these powers with regard to Customs, ought to be very carefully watched. In case the importer who feels himself aggrieved, does not take any of these steps, the Customs authorities may retain his goods, advertise them for sale, and sell them. The Board of Appraisers is a new engine put in the hands of the Government, to enable them to control the importations of goods into this country. It consists, I think, of three gentlemen sitting here in Ottawa, and, to whom, I suppose, all doubtful cases are referred, and by whose instructions local appraisers are to be guided. This is an irresponsible court, to which is given power to decide the value of goods entered for duty. We have had, to my recollection, no authoritative report of the proceedings of that court. The simple substance of all I have stated is this: that Parliament, in deciding what rate of duty is to be payable on certain classes of goods, does not really say what duty shall be paid. The amount of duty to be paid is fixed by the collector; although Parliament may fix the rate, the actual taxation is settled by that person who fixes the amount on which the taxation shall be collected. Consequently, the taxation on the importations of this country is practically in the hands of a department—practically in the hands of any novice who thinks his opinion of the value of goods is better than the sworn invoice of the importer of those goods. Under these circumstances, it is necessary that this House, whose special province is taxation, should supervise the exercise of these powers with special zeal. I may be asked how it was that there was no fault found with regard to the exercise of these powers while the late Government was in office. I admit that there was no complaint, and I think the reason is very clear. The operations of the law does not depend so much on the words of the Statute as on the administration of that law. Under the late Government the theory of administration was, that trade was something to be encouraged, and that the only duty of the Customs official was to see that no fraud was committed by importers, and that the revenue legally collectable on certain goods should be collected. Now, however, the theory of administration is changed. It is a principle of our system of government at present, declared not only in speech but on the Statute-book, to discourage the importation of such articles, at least, as those manufactured in the country, by means of heavy duties. This theory is not confined to the legislative part of the Government; it is carried out in the administrative part also, because it has led to the practice of the department of Customs, and the employees of that department, preventing, by the technicalities of the law, as well as by the duties imposed, the importation of goods into the country. It has led to something more than this. The principle of protecting home manufactures has been carried a step further by the department, as it appears that it has attempted to protect existing importers against the intrusion of new importers—rivals in the same line of business. I do not say that one idea is more unreasonable than the other, because I think they are both contrary to public policy. It is certainly in the interest of the public that there should be competition in the business of importing as well as in the business of manufacturing goods. No loss would accrue to the revenue of the country by an increase in the number of importers; the same amount would be collected, whether the goods were brought in by one or by

twenty. Such certainly appears to have been the policy of the Customs officers at certain places; and where they could not prevent the starting of new importing firms through the duties imposed by Parliament, they have been enabled to do so by taking advantage of those provisions put in the law for the purpose of enforcing the collection of the revenue, and straining and twisting them in such a way as to weary and harass importers. I may refer to an instance which has been brought to my knowledge within the last day or two. A gentleman hailing from the town of St. Thomas, in my own county, recently established a business as agent for the sale of an American safe. He consulted the Customs officers at once as to the valuation which the safes would have to bear when entered for duty. It was agreed that they would enter these safes at the invoice price, whatever it might be, subject to such appraisement as the Customs officers there might put upon them. In pursuance of this understanding, after having sold several safes, he entered one which, as he tells me, was purchased at wholesale rates from the firm that manufactured it in the State of Ohio, the price being \$70. The question of the value of that safe was left in abeyance, in the meantime, until the Customs officer at St. Thomas should communicate with his superior. He received instructions to add to the face of the invoice 50 per cent. of that invoice, thus making the price of the safe \$105. Now, it so happened, that my friend had sold the safe to a person in Canada for \$100, or \$5 less than the price which this sapient appraiser said it ought to bear in the wholesale markets of the United States. My friend thereupon applied to his principals for documents to show that the price at which he had entered the safe was not only equal to its highest wholesale price, but equal to the retail prices at which similar safes had been sold to parties in the United States; and finding on coming down here, that something further was required, he has obtained an affidavit from the secretary to the manufacturing company in question, affirming the invoice price of the safe to be the correct one, the one at which they sold similar safes to all parties, whether in or out of the United States, that they had no second price, and other words to that effect which I need not here read in detail. The case is still, I believe, before the Commissioner of Customs, but he gave my friend to understand that it could not very well be settled at present, because the appraiser happened to be out of town, and he did not know when he would be back. Consequently, the safe must lie in the Customs warehouse, at St. Thomas, and the gentleman who bought it must do without it, and in uncertainty as to the ultimate decision respecting it, until the appraiser returns. I am very familiar with a case which created a certain amount of excitement in Toronto lately, where a gentleman, well known to myself imported a large quantity of china into this country for the purpose of establishing a wholesale china store. He brought this china to Toronto and entered it at the invoice price. It happened that the figures on his invoice were lump figures, that this china had been bought in a lot and not at a certain fixed price for each article, as it was a class of china which was not sold regularly in the market, but was generally sold in lots. The appraisers in Toronto, on opening the cases, were struck with the fact that this china seemed to be much better than ought to be sold at the price indicated on the invoice. Without calling on the importer for any explanation of this fact, they seized the whole consignment of thirty odd crates, amounting to a considerable value. Very shortly after that the gentleman appeared before the authorities, and, being informed that the consignment had been seized in consequence of this peculiarity in the invoice, offered to explain how it had occurred, and offered to make an affidavit that it was all correct, and to obtain from the manufacturers affidavits