

tion of the dumping regulation; if not, whether the present opportunity could be taken advantage of in spite of the fact that the proposed dumping resolution is to be struck out?

Mr. ROBB: The question is now before the House.

Mr. CALDWELL: I think that if the clause proposed to be struck out were read to the committee it would avoid some doubt or confusion in the minds of hon. members as to what we are striking out.

Mr. ROBB: If hon. members refer to the Votes and Proceedings of March 24, they will see that I am proposing to strike out the resolution to amend the dumping clause.

Mr. GOOD: I understand that the Acting Minister of Finance claimed, when he announced the withdrawal of this resolution some time ago, that the present regulations were adequate. Am I to understand that the present regulations give the same adequacy as the proposed amendment was supposed to provide? Because, it seems to me that the resolution which it is now proposed to strike out gives to the customs officials a tremendous power, a power which they ought not to have under any circumstances. I should therefore like to know whether or not the same power of arbitrary valuation rests with the officials at the present time.

Mr. ROBB: We are proposing to strike out the resolution giving the officials the very power to which he objects. The act will therefore remain as it is now, and it will be applied to imports of dutiable goods when they are valued at less than the fair market value in the country of origin—that provision has been in our statutes for many years and it will continue. I do not think I have anything to add to that statement.

Mr. GOOD: My reason for putting the question is that there have been a good many complaints as to the determination of "fair market value" in valuing goods for customs purposes. The minister might give some assurance to the House, if he can, that there are no abuses existing at the present time in connection with this particular matter.

Mr. ROBB: Does my hon. friend claim that the valuation has been too high, or too low?

Mr. GOOD: I have no personal knowledge of such valuations, but we have heard hon. members mention them. I have heard frequent charges that the valuation which has been placed upon articles for this particular

purpose has been much higher than the market value in the country of origin. I should like to know, therefore, for my own information, how the officials determine the fair market value of these goods in the country of origin?

Mr. ROBB: As my hon. friend knows, they have methods of gaining that information. According to my observation most of the complaints that have come to the department are that the valuation has been too low.

Mr. FORKE: It depends upon which quarter it comes from.

Mr. ROBB: It is administered by regulations in the Customs and Excise Department. There is a Customs Board dealing with the regulations to which the importers may appeal. Generally I think it has been fairly administered. It has been in operation since 1906.

Mr. CALDWELL: I presume the complaint that the valuation has been too low comes from the Manufacturers' Association.

Mr. ROBB: No, not necessarily; not always.

Mr. CALDWELL: I think it would be doubtful if the minister would claim that it would come from the consumers.

Mr. HOEY: The minister says it applies to dutiable goods. Does it not apply to free goods as well, such as binder twine?

Mr. ROBB: Oh, yes.

Mr. CHURCH: The formal resolution with regard to the dumping clause was announced in the budget speech, but later the Acting Minister of Finance (Mr. Robb) gave notice that he would withdraw it. When he first announced the withdrawal of the dumping clause it met with applause from my hon. friends to my left; no doubt it was a surrender of the government to the free trade policy of those hon. members.

In the large cities of Canada there is a protest from every business man about the way in which German and American goods are being dumped into this country. If you walk into any of the departmental stores in the city from which I come you will find that German goods of many kinds are being sold over the counter, and it is impossible for the small retailer or the large or small manufacturer to compete under existing conditions. An almost unanimous wish has been expressed that the government should provide a drastic dumping regulation, to take care of our