

Mr. COOTE: What was the date of the price list in which the price of a binder was given at \$264?

Mr. STEVENS: November, 1923.

Mr. COOTE: Has my hon. friend the price list which was issued about the first week in January, 1924?

Mr. STEVENS: No. I was under the impression that a price list had been issued in January, 1924, but I have not discovered it; I have not been able to obtain it. When I myself raised that very question the answer came that the November, 1923, list was intended for the trade of 1924.

Mr. MacLEAN (Prince): I notice that the Massey-Harris price list for 1923-24 gives binders at \$280.

Mr. STEVENS: That may be a different size. There are a number of different kinds of binders—the 6-foot binder, the 7-foot binder, and I think there is a larger one. Then there is a binder with certain stooking attachments, and so on. But the binder I had reference to was the one which I think is most commonly used, the ordinary 7-foot binder. I remember the price list figure that my hon. friend refers to, \$280. It had certain identifying letters beside it; I have forgotten just what they represented, but I presume stookers, bundle carriers, or certain attachments of that kind. That is really all I want to say in connection with this matter. I wanted to lay before the committee what appeared to me to be these very stubborn and unanswerable facts. I wanted to show to the committee that the assumed benefit to the consumer is very slight, and largely, if not wholly, imaginary if you remove the sales tax, and that the so-called compensating features to the implement manufacturer constitute really a threat of ruin to a large number of the industries supplying the raw materials to these manufacturers.

Mr. COOTE: I was much interested in the statement that has just been given to the committee by the hon. member for Vancouver Centre, and I would like to ask the Minister of Customs this question in regard to the sales tax and the duty which the hon. member for Vancouver Centre referred to as having to be added to the price of this binder in the United States. He said the price in the United States was \$226, and if we added to that the sales tax and the tariff, we would find that the price was approximately the same as the Canadian price. Would the minister be good enough to tell the committee whether in computing the sales tax and the

tariff on these imported goods, they use the retail price of the implement in the United States, or do they take what is called the manufacturers' price, simply the cost of producing the implement at the factory? I think that is a very important point. I have been told that the factory price of these implements is not more than 50 per cent of the price the farmer has to pay when he buys the implement.

Mr. BUREAU: The price on which we compute the duty is the consumption price at the place of manufacture. If a retailer imports a machine, he pays on the retail price; if a wholesaler imports a machine, he pays on the manufacturer's price. It is the consumption price at the place from which the goods are exported.

Mr. COOTE: Then it would not be fair to assume that the International Harvesters Company or the John Deere Company would pay the sales tax and the tariff based on the retail price in the United States?

Mr. BUREAU: No, it is the home consumption price. Suppose you buy 1,000 machines; the duty will be computed on the price the wholesaler in the United States pays.

Mr. COOTE: I just wanted to have that made clear to the committee.

In regard to the argument of the hon. member for Vancouver Centre as to the hardship which is worked on the manufacturer of these bars, I think that simply proves that you cannot make a tariff that will not work a hardship on somebody, and the farmer is in this position to-day with respect to these implements that are now being placed on the free list, that he has to pay a tariff tax of 75 per cent on all the stuff he buys, and accept a free trade price for practically everything he sells.

I have been very much interested in the discussion regarding agricultural implements and I have been appalled by the ignorance displayed by some hon. members in this House with regard to this question. I would like to take a few minutes to give to this committee some reasons why the farm implement manufacturers in this country are not able to return dividends at the present time to their shareholders. I have had some actual experience in connection with the farm implement men.

Mr. BUREAU: The hon. member says they are not paying dividends any more.

Mr. COOTE: I am not saying so.