

Special War Revenue Act

natural products, was in aid of an industry in which my hon. friend was interested and still is interested. The Liberal government were pleased to confine their operation of what is known as section 43 to natural products, but then furniture crept in. A heavy duty was put on furniture, and my hon. friend got the benefit of that.

Mr. MALCOLM: No, sir.

Mr. RYCKMAN: The records of the department show it; that is all I can say.

I want to say that I align myself with the Finance minister and those on this side of the house in seeing that this government, so far as its efforts can accomplish it, shall not default upon its obligations upon any specious excuse. The hon. member for North Bruce I think allowed us to measure him to-night when he said that it really hurt him that this country kept its obligations and paid the interest on these tax free bonds. The country has entered into that obligation. It is a hard thing to carry it out; it is done with grief and worry, but yet Canada has done it and will do it so long as this government is in power, and if the people of Canada determine that they want some other treatment, they can get it by voting for it in the majority.

Mr. MALCOLM: They are liable to do it.

Mr. EULER: Just a word with regard to the remarks made by the Minister of National Revenue. He made reference to action that was taken by the former government, perhaps by myself, with regard to furniture. The statement to which I absolutely take exception is the one to the effect that we placed a much higher duty upon furniture.

Mr. RYCKMAN: I did not say a much higher duty; I said a high duty.

Mr. EULER: I will take the minister's words. He says that we placed a high duty on furniture, intimating that we raised the tariff on furniture. We did nothing of the sort. The rate remained exactly as it was, and the department proceeded entirely on the old dumping regulation that goods should not be imported into this country valued at less than they were in the country of origin. We had reason to believe that furniture was being dumped into Canada. An investigation was made, and a higher valuation was placed upon furniture exactly in accordance with the law. I might say to the Minister of National Revenue that the late government did not apply that regulation to anything like the extent it has been applied in the years since he has been in office. I think it has been

[Mr. Ryckman.]

more or less of an outrage the extent to which the minister has imposed on the business people of this country, arbitrary regulations which have been much worse than the tariff itself. In fact, the minister and the government have taken power, and have exercised it, actually to place a valuation on goods for purposes of customs duties from two to four times the actual value, thereby multiplying the rate of duty two or three or four times, and not by reason of the fact that there was real dumping in the sense that goods were coming into this country and selling at less cost than in the country of origin. The minister's action was taken without reference to what the goods sold for in the country of origin.

Mr. POULIOT: The treasury benches unfortunately disagree as to the merits of the speech of my hon. friend from North Bruce. The Minister of Finance was very complimentary to him, and rightly so, but the Minister of National Revenue did not feel that way about it. One of the most constructive suggestions, or if I might use the words of the Minister of Finance, one of the most patriotic suggestions made by the member for North Bruce, was to convert the tax free bonds. The hon. Minister of Finance did not indicate his views in that regard, but the hon. Minister of National Revenue said that Canada was not going to repudiate its obligations. The Minister of Finance did, however, say that the credit of this country should not be imperilled. Would it imperil the credit of this country for this government to show that it has a real business spirit?—and I do not say that, Mr. Chairman, in any mean or offensive way. I was thinking of the poor people of this country, of the feeling of relief it would give to the mind of the poor man who pays a \$2 tax on one hundred pounds of sugar while at the same time he sees the millionaire who has twenty million dollars worth of tax free bonds not paying a cent of taxation to the government upon that immense amount of money. There is discrimination. The hon. Minister of National Revenue, who is an able lawyer, knows very well that contracts can be declared void when they are illegal and when they are immoral. Our expenditures during the war could have been divided under three heads; money usefully expended; money that was wasted; money that was stolen. A large proportion of these tax free bonds was purchased from the dominion exchequer by those thieves who stole the money of this country by profiteering, and that they are escaping taxation today I say is a national crime.