

MEMORANDUM TO:

Mr. David Sim,
Deputy Minister of National Revenue,
Customs and Excise.

Pursuant to section 38(b(ii), (iii) and (iv) of the Customs Act, I hereby prescribe that the value for duty of unused goods which are obsolete or not prime quality goods as known in the trade, or which are known in the trade as remnants, close-outs or discontinued lines, or which constitute a job lot, shall be determined, unless otherwise prescribed, in the following manner:

The value for duty, as it would be determined under the Customs Act, for corresponding prime quality goods sold as regular or current lines shall be accepted, subject to a deduction for quality or condition equivalent to that generally accorded in the country of export for home consumption with respect to like or similar goods, such deduction, however, not to exceed 20%.

GEORGE C. NOWLAN.

Ottawa, February 25, 1959.

Information requested by Mr. McIlraith:

Appeals before the Tariff Board under the Customs and Excise Tax Acts
as of March 1, 1959

1. Number of appeals other than by the Deputy Minister of National Revenue C. & E. awaiting hearing	80
2. Number of appeals other than by the Deputy Minister of National Revenue C. & E. heard and awaiting Board's declaration	9
3. Number of appeals or references to the Board by the Deputy Minister of National Revenue C. & E. awaiting hearing and declaration	2

Information requested by Mr. Grafftey

SPECIAL OR DUMPING DUTY

The special duty legislation is contained in Section 6 of the Customs Tariff.

Special duty is only payable on goods of a class or kind made or produced in Canada, when the selling price to Canada is lower than the proper fair market value.

Illustrations of the effect of special duty.

*I. Invoice shows proper fair market value
and identical selling price*

Assume fair market value	\$1.00
Assume selling price	\$1.00
Assume rate of duty	20%
Importer pays to exporter	\$1.00
Regular Customs duty20
No special duty	
Total	\$1.20