

some power to catch those chaps. I think my hon. friend will admit that.

Mr. COOTE: I was just trying to find out, Mr. Chairman, what power the minister or his officers had to place an arbitrary value on imported motor cars. I must say I have not yet found out.

Mr. CAMPBELL: Mr. Chairman, the minister's explanation in this regard is not very satisfactory. Surely the officers of the department have some means of arriving at the prices of imported goods without resorting to arbitrary action. Surely the price lists of motor cars, for instance, are available to them. Reverting to the point raised by the hon. member for East Peterborough (Mr. Brethen), is it not a fact that even where the valuation of an imported automobile is agreed on, where in fact there is no dispute as to price, five per cent is added to that price before the automobile is assessed for duty? That is, all invoice prices are increased to the extent of five per cent. Is that not so?

Mr. ROBB: It may be.

Mr. CAMPBELL: But is it not an arbitrary ruling of the department? I am not quite clear what the minister says as to this.

Mr. ANDERSON: Is not the sales tax in the country of origin added to the import price for customs purposes?

Mr. ROBB: Yes, that establishes the fair market value of the article in the country of origin.

Mr. LADNER: I understood the minister to say that the law as it stood requires the valuation to be based upon the fair market value of the imported article in the country of origin. My understanding was that valuations are based on the home consumption.

Mr. ROBB: Yes, the home consumption value in the usual and ordinary course. That, I should think, means the fair market value.

Mr. CLARK: Mr. Chairman—

Mr. ROBB: If hon. gentlemen desire me to take up their time and read the Customs Act I shall be very glad to do so, but I would suggest that they get the act and read it for themselves. I would refer them particularly to sections 41, 42, 46 and part of 47, which prescribe the powers of the minister and officers of the department.

Mr. FORKE: Mr. Chairman, there seems to be a good deal of confusion in respect to this matter and it has not yet been cleared

up. In fact, no one yet knows exactly how these duties are assessed upon articles that are imported. For instance, take a motor car advertised in the Saturday Evening Post at \$1,800. It should not be a difficult matter to add the luxury tax and specify the rate of duty that applies. Is that done?—that is the point. Or does the officer simply make an arbitrary valuation and assess the duty? There is no use denying the fact, Mr. Chairman, that there is a suspicion in the public mind that the customs officers are charging more than the import duty—if 35 per cent is not enough, put on 50 per cent. Of course, I am not advocating any such rate of duty. But let us know exactly where we stand. That is the way we look at it.

Mr. CAMPBELL: Mr. Chairman, the minister has admitted that five per cent is added to the price. I should like to know on what authority this is done. If I import an automobile valued at \$2,000, I find it is assessable for duty at \$2,100. Where does the minister get authority to add \$100 to the price of that car for the purpose of assessing the import duty?

Mr. ROBB: I understand the five per cent is added for the home consumption price. Answering my hon. friend from Brandon (Mr. Forke), I do not know anything about advertisements in the Saturday Evening Post or any other paper, but the prices there advertised need not mean the fair market values or the prices for home consumption. My hon. friend has had too long experience to believe that. For instance, departmental stores advertise goods at certain prices, but it is well known that this is simply a drawing card to attract customers, and does not always mean that those are the fair market or home consumption prices. It is the duty of the customs officers, representing the people of Canada, to investigate whenever they are in doubt concerning the actual selling price in the country of origin of the article imported.

Mr. LEWIS: It was stated a few minutes ago that one hundred per cent is added in arriving at the import value; and yet the minister said only a short time ago that in applying the dumping duty his department was limited to a range of fifteen per cent. Is that ever exceeded?

Mr. ROBB: I am telling my hon. friend what the law provides. If any hon. gentleman has a case to submit where officers of the department have exceeded that range, I shall be glad to have it investigated.