

under the sections as they now read. The proposed new subsection 3 of section 43 reads:

(3) In the case of any value for duty established under the provisions of this section . . .

That is, the prior subsections of section 43. . . after the first day of January, 1936, any interested party may apply to the tariff board by way of appeal therefrom. The tariff board shall thereupon conduct a public inquiry and issue its declaration as to whether such value or some lower value is required and for what period the same is required to prevent the importation of the goods into Canada from prejudicially or injuriously affecting the interests of Canadian producers or manufacturers.

I have no objection to that, but the amendment proceeds:

If a lower value is found by the tariff board to be appropriate, such lower value will become at once effective. If appeal is made to the tariff board such value authorized by the minister shall in default of any declaration by the tariff board in the meantime cease to have force and effect upon the expiration of three months from the date of any such application to the tariff board.

The explanatory note for this new subsection states:

This amendment is rendered necessary to comply with undertakings entered into with the United States and Japan.

I suggest that this note might have been modified to this extent, that in order to comply with the undertaking entered into with the United States this amendment is not necessary, but it is necessary, and only necessary, to implement the undertaking entered into between the Prime Minister and the Japanese minister.

I should like to remind hon. members that before the great war Germany made a demand upon Canada; in fact, if I may use the vulgar phrase, Germany attempted a similar bluff against Canada, in the days when Mr. Fielding, as Minister of Finance, was in charge of tariff legislation. But Mr. Fielding had sufficient determination and courage to call that bluff, not only with the hearty support of the parliament of Canada but with the unanimous approval of the people of Canada. No government of Canada ever before accepted such humiliating conditions as those demanded by Japan and expressed in this proposed amendment.

Under section 43 the governor in council, on the report of the minister, with the assistance and advice of the expert officers of his department, must first be satisfied that goods are being imported into Canada under such conditions as prejudicially or injuriously to affect the interests of Canadian producers or manufacturers. That frequently must lead to

[Mr. Cahan.]

a prolonged investigation of fact, with the assistance of such expert advice as can be obtained by the minister not only from his own department but from the Finance department and the Department of Trade and Commerce. Then the governor in council, having been so satisfied as to the facts, under the present act authorizes the minister to fix the value for duty of any class or kind of such goods. But as provided in the amendment, any interested party, the Japanese government or any Japanese exporter, is thereupon authorized to appeal to the tariff board from the decision of the government and of the minister, and on such appeal the tariff board may, as provided in this amendment, conduct an inquiry and declare its decision overriding the prior decision of the government and of the minister, and the declaration of the tariff board when so made is final.

I should like very much to know what would be the opinion of the hon. member for Ontario (Mr. Moore) with regard to such a radical change as that in the tariff legislation of this country. I should like to hear that opinion, in view of the long study and investigation of customs matters which he made under a previous government. If this proposed amendment is enacted, then neither the government nor parliament may revise the declaration of the tariff board as to the value for duty, even though such declaration overrides the value fixed by the minister with the approval of the privy council of Canada. This amendment presumes that both the government and the minister have acted improperly. It presumes that they have not investigated the facts as they were in duty bound to do, or that they have not in good faith fixed the value for duty under the statute as at present existing. Furthermore the amendment provides that in default of any declaration by the tariff board within three months from the date of application to the board, then the value for duty fixed by the minister with the government's approval shall cease to have force and effect. In other words, for the first time in the history of this country legislative authority is given to a tariff board and it may decide by its own default. I would like to suggest that in oriental countries "saving of face" is essential to the preservation of the reputation of and respect for governments and individuals in all social, political and commercial dealings. "Saving of face," as it is known in the east, preserves one's own self-respect by ensuring the respect of others with whom one has either political, commercial or social dealings. I am confident that when the Japanese government received the Prime Minister's letter of December 26 last, and again