

Mr. BUREAU: I am sorry I disturbed you.

Mr. STEVENS: I should like confirmation from him, because to my mind this is an important point. Am I correct in saying—and the Minister of Customs by his large experience will be able to answer this question—that tea contracted for with a British firm whose head office is in London, the invoices and bills and statements for which are sent from London to the Canadian importer, but the tea itself is shipped direct from Ceylon or India or other point of production,—has that tea in the past, in so far as invoices for duty purposes is concerned, carried the addition of the British duty?

Mr. BUREAU: Tea sold by the Englishman has always carried that addition.

Sir HENRY DRAYTON: Although it never saw England?

Mr. BUREAU: Although it never saw England.

Sir HENRY DRAYTON: I should like to see the law which supports that.

Mr. STEVENS: I am not quibbling over this. This is a practical question which has been before the government for some time and with which I have had to deal myself. Does the legislation which the minister now introduces relieve that importer from the addition of the English duty on tea which is still imported from the point of production and never touches Great Britain? The resolution says:

Provided that in computing the ad valorem rate of duty on tea purchased in bond in the United Kingdom—

It would appear from this that only such tea as was carried to England, was there in bond and was re-exported to Canada would be favoured by this legislation. Am I right in that?

Mr. BUREAU: It must be in bond in England, yes.

Mr. STEVENS: Then this legislation does not meet the previous case I put?

Mr. BUREAU: There has been some discussion about that previous case; the legislation is designed to prevent that. Tea can be purchased from an English exporter, in his warehouse in bond, without the payment of duty on the duty the Englishman would have to pay because he re-exports it.

Mr. STEVENS: And it applies also to the previous case I mentioned, where only [Mr. Stevens.]

the invoices were despatched from London, the tea being shipped from Ceylon or India, the point of production.

Mr. BUREAU: That would not be bought in bond in England.

Mr. STEVENS: That is exactly where we are not clear, and it is exactly what the legislation is intended to do. During the past year the customs authorities have imposed a duty upon tea imported from India which never saw England at all.

Mr. ROBB: No.

Mr. STEVENS: The minister says "no," but I am right.

Mr. JACOBS: How could a duty be imposed on goods that never went to England at all?

Mr. STEVENS: That is the anomaly of the whole thing. That is where those who take the view that I do claim there is an injustice.

Mr. JACOBS: If it never touched the shores of Great Britain how could there be a duty on it?

Mr. STEVENS: Because it was invoiced from London, and the customs authorities of Canada collected a duty not only on the invoice price of the tea but on the invoice price plus the British duty of 8 pence per pound although the tea never touched Great Britain at all.

Mr. ROBB: I think my hon. friend is wrong, because it is a specific duty that is on tea, so much a pound.

Mr. STEVENS: It does not matter whether the duty is specific or ad valorem. The British duty was a specific duty of 8 pence per pound, now 4 pence.

Mr. ROBB: But the Canadian duty?

Mr. STEVENS: I am not talking about the Canadian duty, and I am sure I am not wrong. The Minister of Customs sees the point of my remarks. What I want to be clear on is that this clause covers that case, relieves the Canadian importer of that added duty. It is intended to do so, is it not?

Mr. BUREAU: Surely it is.

Mr. STEVENS: Then if it does not actually do so I suppose later on we may come back to the minister, show him Hansard, and say that this legislation was intended to give that relief.

Mr. BUREAU: It is so intended.