

house an undertaking which he is not prepared to carry out? This has been done by the Minister of National Revenue and he must take the responsibility; it has been done by the Department of National Revenue acting through its officers. Surely this is a violation of the principles which ought to govern the administration. Am I not right in suggesting that it is a question whether parliament is the supreme ruler of the country, and whether as a matter of fact we are not now under a government of dictatorship and bureaucracy? I do not think it is possible to speak too strongly on this matter. They have given the explanation that these are pirate companies which are making these goods. Well, if they are violating any patent or anything of that kind they will be taken care of by the courts. But in answer to the statement that they are pirate companies, I should like to read a short editorial from the Winnipeg Tribune, a paper which, though it frequently criticizes the policy of the Conservative party both in provincial and federal affairs, is nevertheless in a general way a supporter of that party. This is what that newspaper says editorially:

The reply of the Department of National Revenue, that its regulation No. 536 is designed "for the protection of the original manufacturers of farm implements against the competition of 'pirate' parts manufacturers," is far from reassuring.

What has the Department of Revenue to do with "piracy?" If it is an illegal practice, that is a matter for the Department of Justice and the courts.

The term "pirate part" was invented by one class of manufacturer to describe the products of another class. It is a trade term which has no standing in law and, like most defamatory libels of a general nature, very little basis in fact.

Departmental officials overstep their powers when they begin to pick and choose between different brands of the same article. The Commissioner of Customs is supposed to be a tax collector, not a Galahad on a stool.

Evidently the department has been cajoled, on improper and irrelevant grounds, into making a regulation which is unjust and unfair. Not the least interesting feature of the incident is the object-lesson it gives. Incorruptible officials, it seems, are accessible to an adroit use of moral indignation. Given the right touch of propaganda at the right moment, an independent jobber becomes a "pirate," and the Department of Revenue becomes a morality squad.

Some competent authority at Ottawa should step in and break this short-circuit before it sets the house afire. Emotional bias is no substitute for impartiality in the administration of the acts of parliament.

Now, what is the effect of this new regulation? The Winnipeg Free Press made this compilation:

Cost of Laying Down Binder Canvasses Since May 25, With Exchange at 15 Per Cent Prior to May 25, 1932

Invoice value.. . . . .	\$ 100 00
Exchange 15 per cent.. . . . .	15 00
Duty 6 per cent on \$115.. . . . .	6 90
Excise tax 3 per cent on \$121.90.. . . . .	3 66
Sales tax exempt.. . . . .	....
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	\$ 125 56

After May 25, 1932

Invoice value.. . . . .	\$ 100 00
Exchange 15 per cent.. . . . .	15 00
Duty 25 per cent on \$115.. . . . .	28 75
Excise tax 3 per cent on \$143.75.. . . . .	4 31
Sales tax exempt.. . . . .	....
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	\$ 148 06

Duty and excise prior to May 25, 1932..	\$10 56
Duty and excise after May 25, 1932.. . .	33 06

Cost of Laying Down Plough Shares Since May 25, 1932, With Exchange at 15 Per Cent Prior to May 25, 1932

Invoice value.. . . . .	\$ 100 00
Exchange 15 per cent.. . . . .	15 00
Duty 10 per cent on \$115.. . . . .	11 50
Excise tax 3 per cent on \$126.50.. . . . .	3 80
Sales tax exempt.. . . . .	....
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	\$ 130 30

After May 25, 1932

Invoice value.. . . . .	\$ 100 00
Exchange 15 per cent.. . . . .	15 00
Duty 25 per cent on \$115.. . . . .	28 75
Excise tax 3 per cent on \$143.75.. . . . .	4 31
Sales tax exempt.. . . . .	....
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	\$ 148 06

Duty and excise prior to May 25, 1932..	\$13 30
Duty and excise since May 25, 1932.. . .	33 06

The duties shown in the first column are still paid by the favored importers; their competitors pay the duties shown in the second column.

It will be noted that owing to the cumulative character of the duties levied the discrimination in the case of binder canvasses is boosted from 19 to 23.50 per cent and in the case of plough shares from 15 per cent to nearly 20 per cent.

Who suffers from this policy? In the first place, of course, the independent implement dealers; they suffer. Let me say to the house that this business is one of tremendous proportions, and there is every reason to believe that it amounts to about a million dollars a year. The president of one of these firms told me that they did a business of \$200,000 a year, that they had 1,500 sub-agents throughout the country, and that 60 per cent of the business of these sub-agents was in these repairs. They are the first people to suffer, naturally. Their business