

*The Budget—Mr. Stirling*

Nash Canadian manager to the Nash supervisor:

Dear Sir,—I think some of our houses are importing American apples, and we are compelled to pay a dumping duty.

I learn from Burns to-day that he has secured a refund of the dumping duty paid by P. Burns & Company and the Macdonald-Crawford.

If there are any sales in your district with our interests, you had better have them submit claims for refund to Burns to handle.

The reply to that was:

Dear Sir,—Any of the Saskatchewan houses who paid dumping duty on American apples placed claim for refund. They have been notified by the local customs appraiser that their claims will be paid.

The commissioner proceeds:

On April 30, 1924, Mr. A. E. Burns of the Western Canada Fruit Jobbers Association, wrote the Customs and Excise Department at Ottawa, demanding remission of Dumping Duty on certain apples bought from the Yakima Fruit Growers' Association, Washington, at 80 cents f.o.b. It will be noted that Mr. Burns states in his letter that "at the time the dumping duty was applied there were no apples in stock." It is not known what is meant by this statement, for the official published figures of the Fruit Branch, Ottawa, show the following quantities of apples in storage at the points and on the dates mentioned:

Then follow the amounts: Added together, 240,000 boxes in Regina and British Columbia at the end of January, 1924; 141,000 boxes at the middle of February, 1924; and 99,000 boxes at the end of February. The commissioner proceeds:

The letter from Mr. Burns is as follows:

The Customs and Excise Department,  
Ottawa, Ont.

Attention Mr. Watson

Dear Sirs,—I was in Regina and Moosejaw last week and found that dumping duty had been applied on cars of apples coming into that district on February 13 and 14, some to P. Burns' Co., Ltd., others to Macdonald-Consolidated.

At the time the dumping duty was applied there were no apples in stock. Macdonald-Consolidated stated they were out of this commodity for 12 days. P. Burns & Co. had only one variety and they were splitting them up with the other four jobbers.

The application of dumping duty on shipments in such times is only unadulterated gall on the part of some official who evidently must have known the existing conditions in these two points, and if he had made any inquiries, he would have known that the dump was unjustified.

The above jobbers are asking for a rebate and I would be glad to hear from you at once if you are going to grant same. Otherwise we will have to circularize every member of parliament and bring this unjust application of the dumping duty to a show-down.

I attach a memo from P. Burns & Co. which you might read and let me know if, in your opinion, this assessment was justified.

The commissioner proceeds:

This somewhat hectoring letter of Mr. Burns was replied to by Mr. J. A. Watson, of the Customs department, on May 7, to the effect that the col-  
[Mr. Stirling.]

lector of customs at Moosejaw was instructed that he might certify to refund claims of dumping duty paid on importations of apples if entered since the first of February last, and that the collector of customs at Regina would receive like instructions. It is evident that if the customs authorities acted on the assumption that there had been no British Columbia apples available since February 1, 1924, they did so without consultation with the Department of Agriculture, which had accurate information on the situation.

It appears further that early in 1924, Mr. Burns reached an understanding with Mr. T. W. Mouat, special officer, Customs department, Nelson, B.C., that the dumping duty would not be applied after March 1, 1924. What was the information in the possession of Mr. Mouat as to the apple situation at the time does not appear. It is evident that Mr. Mouat's information was not of the best, for on February 29, 1924, Mr. A. E. Burns circularized all members of the Western Canada Fruit Jobbers' Association as follows:

Winnipeg, February 29, 1924.

Re Dumping Duty:

The understanding with Mr. Mouat was that after March 1, the Dumping Act would not be applied. The dump has not been applied to Winnipeg cars but from Regina west. Mr. Mouat intimated he was convinced B.C. apples would not stand the haul to Winnipeg, but this is wrong as a few more days' transit would not count.

I am not surprised that the questions I have put on the order paper were not answered, because I can see in every case investigated where the dumping duty was applied a rebate was granted. I cannot help wondering why the duty was rebated. There must have been some reason. After the visit of the Minister of Customs to the fruit growers in British Columbia, it was understood that the government would make use of that clause, a clause they considered better than the clause of the previous administration, and yet something must have been wrong with the clause. I began to wonder whether it was possible that no action under that clause had ever been taken at all, and I made some inquiries, and I found that no order in council relating to Clause 47A had ever been issued. So the situation may perhaps have been this: Certain officials of the Customs department perfectly rightly, collected the dumping duty, but when it became evident that shippers had claimed a rebate of this dumping duty, the government must surely have considered they were not on very safe ground, for if the matter was taken into court, not having the clause in the act behind them, they would be caught napping and would get into very considerable trouble. I cannot help thinking that may have been the reason for the wholesale rebates granted of the dumping duty. It is quite incredible to me that the blame can be laid on the permanent officials of the department; they could not have taken such action as that which I have read from the