

Hon. Mr. POPE: If they are doing business with the United States they should know. The President of the United States can make changes in five minutes.

Right Hon. Mr. GRAHAM: That is another reason why I do not like it. It is a copy.

The first part of the Bill before us reads as follows:

Section thirty-six of the Customs Act, chapter forty-two of the Revised Statutes of Canada, 1927, is repealed, and the following is substituted therefor:—

"36. (1) Such market value shall be the fair market value of such goods in the usual and ordinary commercial acceptance of the term, and as sold in the ordinary course of trade, such value in no case to be lower than the selling price thereof to jobbers or wholesalers generally at the time and place of shipment direct to Canada.

(2) Provided that the value for duty of new or unused goods shall in no case be less than the actual cost of production of similar goods at date of shipment direct to Canada, plus a reasonable advance for selling cost and profit, and the Minister shall be the sole judge of what shall constitute a reasonable advance in the circumstances and his decision thereon shall be final."

This does not even have to be confirmed by Order in Council. The Minister's decision shall be final. I submit, honourable gentlemen, that with the changed and ever-changing conditions of trade too much power is put into the hands of one man. For many years we have had a Customs Board to which appeals could be made in cases of dispute as to the value of goods. Under this legislation there is no appeal to anybody. No one man, no matter how great he may be, should have the power practically to fix the tariff on goods in which I or any other honourable gentlemen may be dealing. A contract may be made one day, and the next day the duty may be changed without notice.

Now let me refer to what was said by my honourable friend from Bedford (Hon. Mr. Pope). In the United States there is a Tariff Commission, and all that it does is restricted and protected by statute. If after investigation the Tariff Commission finds conditions that it believes to be inimical to the interests of certain industries in the country, it is directed to make recommendations to the President, and he can then increase or decrease the tariff on the articles affected, so long as the increase or decrease does not exceed 50 per cent. But here, without any investigating authority, without any Commission, without any Customs Board, one Minister is to be given the right to make decisions himself. And to make matters worse, there can be no appeal from his decisions.

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Hon. Mr. WILLOUGHBY: What section is my right honourable friend quoting?

Right Hon. Mr. GRAHAM: My first quotation was from section 1 of the present Bill.

Hon. Mr. GRIESBACH: Before the right honourable gentleman concludes his reference to the powers of the United States Tariff Commission I should like to ask him a question, taking it for granted that his statement regarding the Commission's powers is correct.

Right Hon. Mr. GRAHAM: My statement was quite general.

Hon. Mr. GRIESBACH: Is it not a fact that the United States Tariff Commission has the power to go into countries from which goods are imported and insist upon certain manufacturing processes being carried out? There was an instance last year of a small establishment near Toronto, manufacturing an article that was sold in considerable quantities in Michigan. The United States Tariff Commission intervened and issued a direction that this article had to be manufactured in a certain way, otherwise entry into the American market would be prohibited; and it insisted on the employment in the factory of inspectors, whose wages had to be paid by the manufacturer. Surely those powers are far greater than anything contemplated here.

Right Hon. Mr. GRAHAM: I never heard of such a thing as that, but I do know that United States investigators go abroad and try to ascertain the cost of production of articles which enter into competition with those produced in the United States. They have gone through Ontario investigating the cost of production of milk, for instance, and they have visited other countries too. But I cannot imagine how they could impose restrictions on a factory operating in Canada, although they might say to a manufacturer, "If you do not produce your goods in a certain way, we will not allow them into the United States."

Hon. Mr. GRIESBACH: That is what they did.

Right Hon. Mr. GRAHAM: I did not think the statute governing the Tariff Commission, as I remember it, gave them power to do any such thing as that; but the statute has probably been amended several times since I read it. In any event, the workings of the Tariff Commission in the States are not entirely harmonious. Honourable gentlemen will remember that at the last session of