

is no public complaint at the moment, although we do receive letters pro and con on this subject. I am bound to say most of our correspondence is from people complaining about something coming in, and there are not so many from others.

Mr. PETERS: Is there any form of censorship board?

Mr. SIM: I would like to offer a correction. I do not regard this as censorship. It has to do with tariff classification, as far as I am concerned, and possibly the postal authorities have some responsibility in this regard, as well as the crown attorney's office.

Mr. GRAFFTEY: Would I be permitted to ask policy questions in regard to dumping legislation at this time?

The CHAIRMAN: Yes; will you proceed.

Mr. GRAFFTEY: I have in my hand a very brief memo handed to me by Charles Maxwell of Collins and Aikman of Farnham, Quebec. They manufacture synthetic toy plush. Mr. Aikman tells me in spite of the legislation brought down creating new appraisers, that his industry is in a worse way this year than last. Now the memo he handed me, and I want to read from it, is simply entitled "United States cottons below cost". It stresses primarily the great difficulty we obviously would have to determine whether cottons are being sold below cost. The memo states that one source of dependable information is the Daily News Record, the New York publication which deals authoritatively with the textile trade. In its January 2, 1959 issue, Mr. Harry Jenkins wrote an analysis of the 1958 performance of the United States cotton manufacturing industry. The following paragraph is pertinent:

Many of the heavier type of goods showed losses right through 1958, and even at year's end, after having enjoyed a fair upturn in volume, many of these standard fabrics in the drill, twill, duck category still are below cost.

He goes on further to say:

It is apparent that the whole United States market has been below cost on these items and that by selling them at depressed prices in the Canadian market, in contravention of Canadian dumping legislation, United States mills are flooding this market.

This first question is: does the department take cognizance of this Daily News Record publication I mentioned; and secondly, could the deputy minister make any general remarks with regard to that quotation, I made from the memorandum?

Mr. SIM: Yes, we do take note of the Daily News Record; it is an authoritative trade paper dealing with textiles. However, one must not believe everything he reads in the newspapers. Actually, as was indicated the other day when investigation was made into the prime quality goods exported to Canada, we could not find any evidence to support the general statements made in that regard.

I think I should give my minister some credit in this connection, because in our department we were a little inclined to accept this sort of statement as being conclusive evidence of selling below cost. But my minister, with the legal background he possesses, felt that this was not substantial enough evidence to warrant action under the serious powers that had been given to him, and he insisted we make an inquiry. As I said, when we made the inquiries, we were not able to substantiate what the paper indicated with regard to first quality goods; but in regard to second quality goods, the preponderance