

Canada is enabled thereby to import goods for further manufacture or assembling, or for resale and disposal of such imported goods, whether in the form as imported or as further processed, assembled or manufactured, at prices below the duty paid value thereof as entered at Customs plus, if any, the cost of processing, assembling or further manufacture in Canada. The Minister may declare that goods of such class or kind were and are an importation subject to additional special or dumping duty not exceeding 50 p.c.

*Drawbacks.*—Drawbacks of 99 p.c. of duties paid on imported materials are allowed by the customs laws and regulations in cases where articles manufactured from such materials are afterwards exported.

*Surtax.*—In 1903 the Customs Tariff Act of 1897 was amended to provide for a surtax of one-third of the duty on goods, the product of any foreign country which treats imports from Canada less favourably than those from other countries. This surtax was at once applied against certain German goods but was removed on Mar. 1, 1910, when Canada obtained the conventional rates of the German tariff on a specified list of goods. Under the Customs Tariff Act of 1914 the rate of surtax was left to be fixed in each case by the Governor in Council but was not to exceed 20 p.c. *ad valorem*. In the 1931 Tariff Amendments the maximum of the rate of surtax was increased to 33½ p.c. *ad valorem*.

*Powers of the Governor in Council.*—The Governor in Council may make reductions of duties on goods imported into Canada from countries granting reductions on Canadian products.

The Governor in Council is given power to prohibit the importation of any goods exported directly or indirectly from any country not a contracting party to the Treaty of Versailles executed at Paris, France, on the 28th June, 1919.

In the event of producers of goods taking advantage of any duty under the provisions of the Customs Tariff, the Governor in Council is empowered to reduce or remove such duty and, in the case of a producer violating the provisions, to impose upon all his products an Excise duty equivalent to the amount of Customs duty which would be paid by such goods if imported under the provisions of the General Tariff. These provisions, however, do not apply to agricultural products.

*Combinations.*—Whenever it is deemed in the public interest to inquire into any combination alleged to exist detrimental to consumers, the Governor in Council may commission or empower any judge of the Supreme Court or of the Exchequer Court of Canada, or of any superior court or county court in Canada to hold an inquiry in a summary way and to report to the Governor in Council whether such combination exists, the judge being empowered to compel attendance of witnesses, examine them under oath, and require production of books and papers, etc., and, upon the judge reporting the existence of such a combination, the Governor in Council is given authority to admit the article concerned free of duty, or so reduce the duty thereon as to give the public the benefit of reasonable competition if it appears that the disadvantage to the consumer is facilitated by the duties of Customs imposed on a like article.