

where goods are shipped in bond and bulk is not broken, that is a through shipment and the goods do not become goods of the United States. I have shipped carload after carload to foreign countries through the United States, held them in bond in that country, and, at the proper time, shipped them to their intended destination, and these were regarded as direct shipments and duty was not collected in the United States. I ship goods to Germany in that way every year. So long as they are in transit, and continue in transit within a due period, they are regarded as being shipped through. But the moment bulk is broken, the moment you take them out of bond and pay the duty, they become American goods. The argument of hon. gentlemen opposite seems to be that an American citizen cannot ship goods to the West Indies and get the benefit of this treaty. It makes no difference who ships the goods, so long as the goods come through. But, the moment bulk is broken in the United States and the goods are taken out of bond and duty paid, they become American goods.

Mr. PUGSLEY: I think my hon. friend has not quite apprehended the point which is made. The point is that under clause 2 of the treaty there is no requirement that the goods shall be shipped direct from the West Indies.

Mr. LALOR: But I would ask the hon. gentleman: Is it not the case that the interpretation of the law by the Canadian customs is that it makes a difference whether goods are shipped direct to Canada or shipped through an American port?

Mr. PUGSLEY: But the collector of customs could not alter the terms of the treaty, and what the treaty provides is plain. All that is necessary in order to entitle the goods to come in under the preference is that they shall be the goods of any of these British West India colonies. As to the goods enumerated in schedule B, the Minister of Trade and Commerce asks this Parliament to put a qualification on that agreement and declares that these goods must not only be the produce or manufacture of one of these islands, but they must be imported direct. I submit that Parliament has no right to make that qualification. I have argued that point, and do not wish to detain the House upon it. But there is a point that the Minister of Customs has not answered. I do not raise it for any technical reason but for substantial reason. I would like my hon. friend from North Grey to look at this Bill. I repeat what I have already said that, while this qualification is made in regard to goods under schedule B, no such qualifi-

Mr. LALOR.

cation is made in regard to the goods under schedule C. Surely, that is a serious proposition and one to which we are entitled to an answer. I should not be doing my duty as a member of this House if I assented to this Bill going through in this form. Will the hon. gentleman give us an answer to the question as to why there is not the same provision regarding the goods enumerated in schedule C as has been made in regard to schedule B? I think, as a matter of courtesy, that I am entitled to an answer to this question.

Mr. GUTHRIE: This matter is of too great importance to be treated with the silent contempt evidenced by the Minister of Trade and Commerce and by hon. gentlemen opposite. I think if the Minister of Justice would give us his attention for a few moments we might draw something from him as to the reason for the peculiar piece of legislation which is now before the House. I am sure anyone who considers the matter will agree with my statement that the Bill is not now in correct form. If the hon. member for North Grey, the hon. member for Kingston, and the hon. member for North Ontario will give the matter serious consideration for a moment, I think they will quite agree with the statement that there is a discrepancy in the Bill regarding the language of the clause as applying to goods entitled to come into Canada on a preferential scale of duty. There is another discrepancy, and that is that the words 'direct importation,' do not, in the language of the Bill, at all apply to free goods. To my mind it will be a simple matter to amend the section under discussion, but there seems to be no disposition on the part of the Minister of Trade and Commerce or the Minister of Customs to assist in the matter. They sit in their places and say nothing; they do not give reasons for the language of the Bill, or for the distinction which hon. gentlemen have pointed out. If the Minister of Trade and Commerce has a reason; if he knows of the distinction, it would settle the whole discussion in a few moments if he would tell us what it is. From the report of the proceedings of the legislature of Barbadoes one can only conclude that the President realized the importance of the point when he used the words:

Direct importation would seem to imply that these goods must not pass through any foreign country on the way to their destination.

The President of the Barbadoes Legislature gives that as his opinion, and states that the word 'direct' is most unfortunate language, and when they came to this identical clause they adjourned in order to take time to consider the matter. Would