RH.m. to Extrement for Seps. of nation May 14, 1938 C150016 Memorandum for Mr. Pickering The General Executive Assistant of Customs and Excise says that representations and information on this subject have been received, from time to time, at the Department of National Revenue, from Mr. A.D. Corelli, who is promoting this scheme for personal ends. According to the Department of National Revenue, there are obvious objections to the suggestion contained in Mr. Baird's letter, -1. Canadian customs regulations do not permit of the carriage of goods-in-bond by motor trucks; 2. Railway lines and steamship companies, carrying goods-in-bond, traverse known routes and, at any point, can always be subject to customs inspection. There is no way, however, of checking whether motor trucks would keep to the main highway or deliver goods down some side road, where no customs inspection would be possible; It is a policy of the present administration not to allow the truck companies to "cut into" the traffic of the railway and steamship companies. The statement of Mr. Baird, in paragraph three of his letter, which says that the company, if allowed to operate, would not, in any way, effect the freight being carried by the railway between the two points, is wholly inaccurate. Such a proposal would, unquestionably, injure the railroad and steamship companies. The present route, which curves along the southern shore of Lake Erie, south of Cleveland, is costly, inasmuch King Papers, Memoranda and Notes, 1933-1939 26, J 4, volume 220, pages C149883-C150385) PUBLIC ARCHIVES ARCHIVES PUBLIQUES CANADA (M)