

Sir CHARLES HIBBERT TUPPER. Yes, they were landed. They were taken from one vessel and put into another, and the courts of California held that that could be done, as their statutes did not cover such a case. But the present orders of the department are based upon another construction, that it is a palpable evasion of the statute, and should not be permitted. The department regard the shipment of the goods as going inland from one port under the American flag to another port under the American flag, and are attempting to prevent any of those goods being carried for any part of that journey in any ship that does not fly the American flag. There has been a reference to another section of the statutes, section 3110, but I need not read it. The Seattle "Post-Intelligencer," of 26th January, 1898, contains a statement which corroborates what I have stated to the House. As all these matters are given prominence, wherever they may directly or indirectly worry or annoy their neighbours to the north, this paper prints this statement in large and prominent type, as follows :—

CANNOT EVADE THE TARIFF—TRANSPORTATION OF GOODS FROM ONE U. S. PORT TO ANOTHER, VIA BRITISH PORTS, BALKED BY SECRETARY SPAULDING.

The attempt to evade the United States customs regulations in their imposition of a duty at Alaska ports on Canadian goods, by purchasing outfits in Seattle, shipping them to British Columbia ports in an American bottom, and there transferring to a British bottom for their destination, has been effectually balked by the United States Government officials. As announced in a special despatch to the Post-Intelligencer from Washington, published yesterday morning, Acting Secretary Spaulding has decided that the transportation of freight in such a manner is a violation of our exporting laws, and subjects the merchandise to seizure. Section 4347 of the Revised Statutes, as amended February 15, 1893, under which this ruling is made, is as follows :—

That reads just as I have already read it.

A telegram received by the "Post-Intelligencer" yesterday from Acting Secretary Spaulding, announced that the collector of this district had been advised of the decision, and the officials at Dyce and Skagway will be at once notified.

This matter was first brought to the attention of the Treasury Department on January 14, and since then the British steamers "Danube" and "Tees" have been able to get away with freight which, under the late decision, would be subject to seizure at Dyce and Skagway.

These steamers are Canadian Pacific Navigation Company steamers. I believe the "Danube" has since been seized, libelled, and released under bonds. Then, section 3008 of the Revised Statutes is quoted, and the statement goes on :

This action has never been enforced, and that was probably the reason why it is ignored by Secretary Spaulding. That it exactly fits the

present case is apparent. The shipment of goods to Victoria, Vancouver or Nanaimo would be an export. The transshipment there and subsequent landing at Dyce or Skagway would be a relanding in the sense of section 3008, and would not only subject the goods to seizure, but persons concerned to a penalty of \$400.

Then on January 24, the British Columbia papers publish a despatch from Washington, which gives the instruction of Acting Secretary Spaulding, and states that his decision was reached in a case presented by the Canadian Pacific Navigation Company. Mr. Irving, in fact, submitted in advance, very wisely, when he first heard of this trouble, a hypothetical case to a collector at one of the ports on the Sound, and this was sent to Washington for instructions. The result of that was a telegram to this effect :

The transportation of American freight from Seattle or other American ports consigned for Alaska, via Victoria, Vancouver or Nanaimo, and at those ports transferred to British vessels, is a violation of American coasting laws, and subjects the merchandise to forfeiture. General Spaulding to-day said:

This measure is one of several in course of preparation by the Treasury which seems to be called for by recent events and new conditions, to protect and develop American interests in the Pacific and Alaska.

Then he refers again to the Act of 1893, and quotes one of these sections which I have mentioned. So we find introduced into Congress this session on a message from the Secretary of the Treasury, Mr. Gage, a Bill amending the laws relating to navigation, Bill 3580, and Mr. Payne in introducing this Bill, says :

The object of the Bill is to protect our sea-coast trade along the Pacific Coast with Alaska. That is the sole and only object of the Bill. It happens now under existing law that a cargo of goods may be shipped from some port like Seattle to Victoria or Vancouver, for 90 miles, in an American vessel, and then the cargo taken some 900 or 1,000 miles in a foreign vessel to Alaska.

Strange to say, Mr. Payne, acting for the Administration, says that the present law permits that, whereas Acting Secretary Spaulding's ruling was that the law did not permit anything of the kind, and instructions were given accordingly to the collectors of the different ports to prevent it in every way in their power. Mr. Payne goes on to say :

The object of the Bill is to prevent that sort of thing, and to follow those cargoes shipped from the Pacific slope, in the United States, to Alaska, whether stopping at Vancouver and Victoria or not, and require that they shall be shipped in an American vessel. That is the prime object of the Bill.

Then he asks that this report from Secretary Gage be read, and in that report Secretary Gage, consistent with the action of the Acting-Secretary, treated this as a declaratory Bill, and not as Mr. Payne seemed to think, a material amendment.