

in British Columbia is a standing menace to the reasonable rights of capital invested in that Province, & we have no hesitation in saying that until the people there express clearly their want of confidence in him & their determination not to allow him to dominate Provincial politics, it will be unwise for anyone to invest a dollar in any enterprise which may be affected by legislation by the British Columbia Legislature, or by the executive acts of the Provincial Government. The present is undoubtedly a time when the better elements of both parties should unite to rescue the Province from the rule of a demagogue & a wrecker, who has no regard for private or public rights which may stand in his way & one of whose first official acts when he became Attorney-General of Manitoba was to force through the Legislature a measure cancelling contracts legally entered into by the preceding government, & taking away from the injured contractors the right of appeal to the courts to decide whether they were entitled to damages. The step from such legislation to repudiation of the public debt, or in fact anything of a similarly outrageous nature, is a very short one.

Suspension of Coasting Regulations.

When the vessel owners' deputation waited on the Dominion Government in Ottawa on Nov. 22 last in reference to the suspension of the coasting regulations between Fort William & Port Arthur & other ports in Canada, the Premier practically admitted that the order-in-council complained of had been passed under a misapprehension of facts, & promised that similar action would not be repeated, but that if anything was to be done along the same line it would be by way of amendment to the coasting laws, & he also said that an early announcement would be made as to the Government's intention on this point. But no announcement has been made, & as the matter is of vital importance to Canadian vessel owners, & as its continuance in a state of uncertainty is having a deterrent effect on ship building, the time seems to have arrived when an answer should be pressed for.

The order-in-council referred to was passed on the following recommendation:

"On a report dated Oct. 14, 1899, from the Minister of Finance, stating that the British & Canadian shipping on the lakes above Montreal appears to be insufficient at the present time for moving the grain cargoes to be transported from Fort William to Ontario lake ports, and thence by rail through Canada to tide water. That under the coasting laws, United States vessels are not at present permitted to engage in this traffic between two Canadian ports. That for want of available British & Canadian tonnage a large portion of this grain traffic is likely to be carried from Fort William to Buffalo, & thence by United States railways or vessels to the sea-board. That it is desirable to promote the movement of the said traffic along Canadian routes to the sea-board, & to assist the building up of Canadian shipping on the lakes by encourag-

ing the permanent movement of the grain traffic through Canadian channels. The Minister therefore recommends, pending an increase in the Lake Shipping now entitled to participate in the coasting trade, that vessels of the United States be permitted to carry cargoes between Fort William or Port Arthur, Ont., & any other port in Canada, either way, during the remainder of the present year (1899) on the same terms & conditions as are applicable to Canadian vessels, forbearing to institute suits for penalties or forfeitures on account of the nationality of such vessels while so employed. The committee submit the foregoing recommendation for Your Excellency's approval."

The deputation which waited on the Government clearly established that the preambles of the recommendation above quoted were not statements of fact, that there was not an insufficiency of Canadian shipping to carry the grain from Thunder Bay & that there was therefore no consequent danger of the diversion of the grain traffic to U.S. routes.

It was never contended for a moment that there was any scarcity of shipping to carry goods from Georgian Bay ports, etc., to Thunder Bay, yet the order-in-council threw in as an extra concession to U.S. vessels the privilege of carrying cargoes "either way," thus depriving the C.P.R. upper lake steamships, the Beatty line & other boats, of traffic to which they were legitimately entitled. But there is another phase of the question which is of even more serious importance. The Act respecting the Coasting Trade of Canada, passed in 1886, provides as follows:

"2. No goods or passengers shall be carried by water, from one port of Canada to another, except in British ships; and if any goods or passengers are so carried, as aforesaid, contrary to this Act, the master of the ship or vessel so carrying the same, shall incur a penalty of \$400, & any goods so carried shall be forfeited, as smuggled; & such ship or vessel may be detained by the collector of customs, at any port or place to which such goods or passengers are brought, until such penalty is paid, or security for the payment thereof given to his satisfaction, & until such goods are delivered up to him, to be dealt with as goods forfeited under the provisions of the Customs Act."

"5. The Governor-in-Council may, from time to time, declare that the foregoing provisions of this Act shall not apply to the ships or vessels of any foreign country in which British ships are admitted to the coasting trade of such country, & to carry goods & passengers from one port or place to another, in such country."

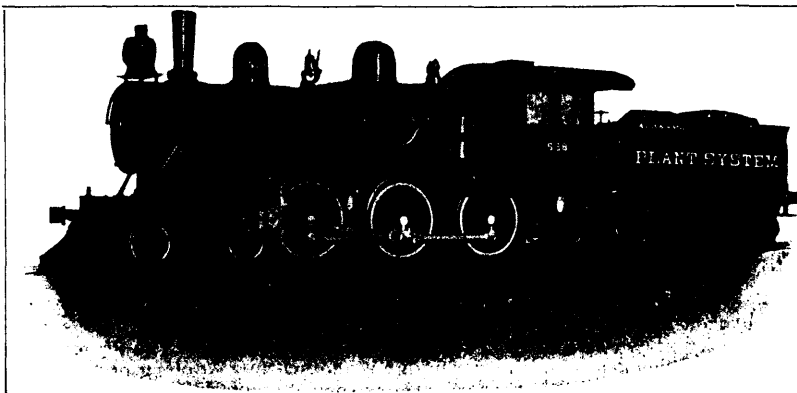
Section 5 above quoted provides that the Governor-in-Council may suspend the operations of section 2 as regards the ships of any foreign country which admits British ships to its coasting trade. The United States does not admit British ships to its coasting trade, consequently the Government had no authority to pass the order-in-council in question, &

it was undoubtedly ultra vires. Such absolute defiance of the statute law is too grave to receive merely a passing notice, & the seriousness of passing an order-in-council for which there is no legal authority, & on the contrary, against which there is a distinct parliamentary prohibition, should be so impressed that neither the present nor any succeeding government will attempt anything of the sort in future. It would be bad enough for vessel owners to suffer from the results of a legal act on the part of the Government, it is much worse when the act is unquestionably illegal, & certainly a most dangerous precedent has been created.

In this connection it is interesting to turn to the report of the Department of Marine & Fisheries for the past fiscal year, in which the following will be found under the head of "Coasting Trade of Canada":

"By the provisions of chap. 83, Consolidated Statutes of Canada, being an Act respecting the Coasting Trade of Canada, no goods or passengers can be carried by water from one port in Canada to another except in British ships, but the Governor-in-Council may, from time to time, declare that the Act shall not apply to ships or vessels of any foreign country in which British ships are admitted to the coasting trade of such country, & to carry goods & passengers from one port or place to another in such country. The Parliament of Canada was empowered to pass the Act alluded to under the provisions of the Imperial Act, 32 Vic., chap. 11, intitled: 'An Act for amending the Law relating to the Coasting Trade & Merchant Shipping in British Possessions,' which came into operation in this country on its proclamation by the Governor-General on Oct. 23, 1869. It was ascertained that the following countries, viz., Italy, Germany, the Netherlands, Sweden & Norway, Austro-Hungary, Denmark, Belgium, & the Argentine Republic, allowed British ships or vessels to participate in their coasting trade on the same footing as their own national vessels—the ships of Italy by order-in-council of Aug. 13, 1873; those of Germany by order-in-council of May 14, 1874; those of the Netherlands by order-in-council of Sept. 9, 1874; those of Sweden & Norway by order-in-council of Nov. 5, 1874; those of Austro-Hungary by order-in-council of June 1, 1876; those of Denmark by order-in-council of Jan. 25, 1877; those of Belgium by order-in-council of Sept. 30, 1879; & those of the Argentine Republic by order-in-council of May 18, 1881, were admitted to the coasting trade of Canada."

Yet in face of these facts, which must have been known to the Minister of Marine, & should have been known to every member of the Government, U.S. vessels were given a privilege from which the coasting laws expressly prohibit them, & in return for which Canada receives no reciprocal advantage whatever. The more the matter is looked into the more humiliating & indefensible does it appear.



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