

other aliens that have no right whatever to run on these waters. Some have, no doubt, formed bogus companies registered in Canada; others have made false declaration of ownership; others have taken no such step.

(b) On the lower river there are 'Pingree' and 'Lowe,' now, I believe, called the 'Bonanza King' and the 'Eldorado,' American boats owned by Pingree, of Seattle, and his associates; the 'John C. Barr,' owned by the N.A.T. Co., of Chicago and Seattle; the 'Merwin,' 'Gold Star,' 'Closset' (alias 'Mascot'), 'Clara,' and other American boats, all owned by Americans and all illegitimately running in Canadian waters.

(Return, Sessional Papers, No. 63a, 1900, Ref. No. 26.)

That Sir Charles Hibbert Tupper, a member of the Privy Council for Canada, from his place in this House, stated on the 27th day of June, 1899, that among other facts and charges he believed he could establish before a commission of eminent judges, were he given the same co-operation (and through the Department of Justice) as was given the Hon. Clifford Sifton in the case of the Manitoba election frauds, so-called, the following:

'That official favouritism and partiality had been shown and extended to the representatives and interests of the North American Trading Company, of Chicago and Seattle, in the Yukon district.

That grave and scandalous abuses have occurred in the Department of Customs in the Yukon district, United States vessels having been admitted to the Canadian registry in the said district upon fraudulent undervaluation, as in the case of the steamer 'John C. Barr,' which was worth at least \$60,000, but was allowed to be passed at the customs at a valuation of \$10,000.

That on July 21, 1899, the legal firm of Belcourt & McDougal (the senior member thereof being Mr. N. A. Belcourt, one of the members of this House) addressed the following letter to William Ogilvie, Commissioner, Yukon Territory:

Dawson City, July 21, 1899.

Wm. Ogilvie, Esq.,

Commissioner, Yukon Territory.

Dear Sir,—Acting on behalf of the Canadian Development Company of Victoria, who are operating the principal line of steamboats plying on the Upper Yukon River, the British American Corporation, the John Irving Company, and other Canadian steamer lines, we most respectfully beg to call your attention to what we believe to be three serious cases of contravention of the Merchants Shipping Act, 17 and 18 Vic., chap. 104, and of infringement of the customs regulations of Canada, by which we believe that the customs of Canada have been defrauded.

There are three steamers registered as British vessels and doing business in the Yukon River, all of which were until recently foreign-owned. The names of the vessels are the 'Gov. Pingree,' the 'Philip B. Low' and 'John C. Barr.' The first two, viz.: the 'Gov. Pingree' and the 'Philip B. Low' are registered as belonging to one Philip Sheridan, described as a lawyer of Dawson. The dates of registry are respectively May 27 and 29, 1899. The register here shows that Sheridan acquired the steamboats on the 2nd day of April, 1899, from one Nils. Peterson, a foreigner, the consideration for the transfer being the sum of \$100. Sheridan, in his declaration, deposes that he is the owner of the full sixty-four shares in the said vessel or the full vessel, and that no per-

son or persons other than himself has any interest, either legal or beneficial, in the said boats, as acquired by the Act. We have reason to believe that the transfer of April 2, 1899, was a colourable transfer to Sheridan, who is a Canadian, in order to acquire the British national character for the steamboats; that Sheridan is merely an employee of the real owners, and that the true and real ownership is still vested in Peterson and in Pingree, of Michigan, and others, and we submit as a reason for so believing that the steamers in question are so advertised here in Dawson to-day as belonging to Peterson & Co. Under the provisions of 17 and 18 Vic., chap. 104, sec. 111, ss. 1, such a transfer for the purpose of acquiring the British national character is, we submit, punishable by forfeiture. With regard to the valuation of the steamboats in question, the register shows that the appraised value of the two vessels in question is \$8,600 apiece. It is a noteworthy fact, however, that although the boats were so valued in the last days of May, 1899, that on the 8th day of July, or just about six weeks later, we find a mortgage registered against each boat for the sum of \$13,333.33, making in all an encumbrance on the two boats of \$26,666.66, whereas the total appraised value is \$17,200; we submit with all due deference, that circumstances are at least suspicious. Quite apart from the state of the title as it appears on the register, however, we must respectfully submit that considering the size of the steamboats and the fact that they were both built in 1898, and considering the conditions that have hitherto and still prevail in Dawson for placing boats on the river here ready for work, that the appraised value in each case is so notoriously out of proportion as in itself to contain prima facie evidence of fraud. The boats of the Canadian Development Company of equal size, cost in the neighbourhood of \$55,000, and before Mr. Maitland Kersey, the managing director, had his boats here ready for business, an additional \$10,000 was added to the cost of each vessel, and we submit that it is not possible to replace any one of the boats complained of for less than \$50,000.

With regard to the third boat, the 'John C. Barr,' the register revealed the fact that the vessel, which is also foreign-built, was entered at Dawson in the name of one John Steinhoff, of Dawson, miner, on the 3rd day of June, 1899. The last boat formerly belonged to the North American Transportation Company, and by bill of sale bearing date the 3rd day of June, 1899, one Ely Weare, a director of that company transferred to Steinhoff 'qua' director. The appraised value of the boat is \$10,000, although from its size and general appearance it must have cost for construction and delivery at least the sum of \$50,000. Our clients believe that the transfer in this case is also a colourable one, and that the beneficial ownership in the vessel is still in the North American Transportation Company or in Weare. The boat in question appeared at the Canadian port of White Horse Rapids, after the date of the transfer, flying the flag of the North American Transportation Company, and having inscribed on her stern bulkhead the inscription 'John C. Barr' of St. Michaels, although she at the same time flew the Canadian ensign.

In view of the above facts, we most respectfully submit that a clear case of contravention can easily be made out and that immediate action ought to be taken in the matter, and the penalty for infringing the Merchants Shipping Act be enforced. Our clients, who are Canadian and British companies, and whose boats have been entered at their full value and who have