

respecting the coasting trade of Canada, and to section 4 of the said Act.

I may say that the views of this department under which this was allowed was no doubt that the voyage before the transshipment was one voyage, and that this double shipment was not within the strict terms of the spirit of our coasting laws. Capt. Irving continues :

The responsibility for the enforcement of our Act seems to rest solely with your department.

That is, that no private prosecutor can proceed against any one for a violation of the coasting laws ; that can be done only on the authority of the Government.

No such evasion of the principle of coasting laws is permitted in the United States, and the competition is consequently most unequal for our vessels on this coast. I do not believe a similar state of affairs is allowed anywhere on the Atlantic Coast. Should, however, by any possibility, the letter of our Coasting Act allow this overriding of the undoubted object of all such legislation, and of the spirit of our Act, which prohibits foreign vessels carrying goods "by water from one port of Canada to another," I hope you will see fit to have an amendment submitted to Parliament which will remove all doubt as to the effect of the legislation now on the Statute-book.

The **MINISTER OF MARINE AND FISHERIES**. I understand the object of the writer there is to have prohibition against American vessels carrying goods from Victoria to Fort Wrangel.

Sir **CHARLES HIBBERT TUPPER**. Just the same as in a parallel case they would do with our vessels between their ports.

The **MINISTER OF MARINE AND FISHERIES**. I do not see the parallel.

Sir **CHARLES HIBBERT TUPPER**. It is a little involved, but I think I can make it clear. The law of the United States at present is under section 4347 of the Revised Statutes of the United States, which reads :

No merchandise shall be transported, under penalty of forfeiture thereof, from one port of the United States to another port of the United States in a vessel belonging wholly or in part to a subject of any foreign power ; but this decision shall not be construed to prohibit the sailing of any foreign vessel from one to another port of the United States, provided no merchandise other than that imported in such vessel from some foreign port, and which shall not have been unladen, shall be carried from one port or place to another in the United States.

Now there happens to have been a case under that clause in the United States and notwithstanding this decision to which I will refer, the law is being carried out under instructions to the customs officers in the United States on the lines of the Declaratory Bill now going through Congress. The case to which I refer is the case of the United States against 250 kegs of nails, the California case, and it is as follows :—

Sir **CHARLES HIBBERT TUPPER**.

In the case of the United States vs. 250 kegs of nails, brought in the United States District Court for the Southern District of California, the merchandise sought to be forfeited was wholly the product and manufacture of the United States. It was shipped at New York in a Belgian vessel, consigned under regular bills of lading to a commercial house at Antwerp ; there the merchandise was discharged and landed, and was subsequently shipped on a British vessel consigned to the owners at the port of Redondo, in California, under bills of lading signed by the master of the British ship, and was carried to Redondo, where it was entered at the custom-house as a manufacture of the United States, which had been exported and was now returned to this country. The United States District Court, Judge Ross presiding, held that upon these facts the merchandise was not subject to forfeiture under the term of the above-quoted statute. This case was appealed to the United States Circuit Court of Appeals, where the decision of the District Court was affirmed. (61 Federal Reporter, 410.) In the latter decision, the court, among other things says :—

"It is urged that the facts disclosed in this case amount to a palpable evasion of the statute, and that such is admitted to have been the intention of the parties to the transaction. The purpose the parties had in view can make no difference with the interpretation of the statute. They practiced no concealment or fraud upon the Government. The acts were done openly. They had the statute before them for their guidance. The unlawful act there defined was 'malum prohibitum' only. The statute left them free to ship freight from New York to Redondo in any manner they saw fit, save and except the manner therein prohibited. They followed a method not mentioned in the statute. They had a right to assume that the whole intention of Congress had been expressed in the words of the statute."

That is, the goods are just taken from one bottom and put into another at the port, although the whole shipment is really between two ports of the one country. The court here said that that clause did not provide for that, though there were two shipments, though the goods were meant to go direct to two ports ; that is, they went on one ship for one part of this journey and out of that ship to another. Although there were two separate voyages instead of one they said that this section of the United States statutes would not cover a case of that kind. And so, in the face of the keen rivalry developed on the Pacific Coast, there has been the interpretation of this section to which I refer in order to prevent Victoria vessels or British Columbia vessels getting any part of that carrying trade. But in order to prevent British Columbia vessels getting any part of that carrying trade coming to Victoria or Vancouver, the officers were instructed, before Congress began to deal with this matter at all, to treat all these cases as a violation of the Act, and to proceed against the vessels.

The **MINISTER OF CUSTOMS** (Mr. Paterson). Were those goods landed at a British Columbia port ?