

treaty was the draft prepared by Secretary of State Kellogg and referred to in the despatch which was forwarded to our country. Paragraph 5 continues:

This solution, it was considered, would not only be simple and effective, but was a logical consequence of the action taken under the treaty of June, 1924. The object of that treaty was stated to be the suppression of smuggling. Any supplementary steps necessary to carry out this purpose would seem to be a natural and logical development. Further, it appeared hardly consistent to prevent clearances of small boats from Canadian ports for Cuba or Mexico on mere suspicion that they were really destined for the United States, while at the same time permitting clearances to vessels which openly named the United States as their destination.

The proposal was believed to be in the interest of Canada as well as of the United States. The smugglers and gun-men and racketeers who were assembling in increasing numbers on the Detroit-Windsor border, chiefly citizens of the United States, were a danger to the peace and good government of both countries, and the traffic must, in the long run, have a corrupting effect in Canada, as was already the case in the United States. The smuggling into the United States, moreover, was accompanied by a certain amount of short-circuiting of liquor supplies in or into Canada itself, and the same gangs who smuggled spirits into the United States frequently smuggled silks, cigarettes and other dutiable articles into Canada.

It was further considered that the proposal of the United States was in accordance with responsible Canadian opinion, as evidenced by the report of the special parliamentary committee submitted to the Canadian House of Commons on the 18th June, 1926, and subsequently adopted by the house, which recommended that regulations should be made to prohibit the granting of clearances to vessels carrying liquor from Canadian to United States ports; and also by the final report of the royal commission on customs and excise, which expressed concurrence in the above recommendation as an effective method of carrying out the intent of the treaty of June, 1924.

That was the report made by Canadian officials to the government of the country after the conference of 1929, which met in this city of Ottawa in the early part of the year. The despatch of the right hon. the Prime Minister to the American minister was dated March 15, 1929, something more than a year ago, and it will be observed that that despatch declines to accept the suggestions made by the American government. In order that the record may be complete I propose to read that despatch without comment. It is as follows:

Department of External Affairs
Canada

No. 24 Ottawa, 15th March, 1929.
Sir,

Referring to your note No. 272 of the 27th November, 1928, and to the discussions which took place at the conference of officials on the subject of commercial smuggling held in Ottawa on the 7th-10th of January, 1929, I now have

the honour to state that the Canadian government has given careful consideration to all aspects of the existing situation, and has examined the report of the Canadian representatives to the conference, a copy of which is herewith enclosed for the information of your government.

That is the report from which I read previously. The despatch continues:

As you will observe from an examination of the report, the conference devoted its attention almost exclusively to discussion of the suggestion made by the United States representatives, that the Canadian government, in addition to the numerous steps already taken, which facilitate the enforcement of the United States laws against the importation of liquor and which are summarized in the report, should prohibit the export of intoxicating liquors to the United States, without making at the present time a final decision on this proposal, the Canadian government is in accord with the opinion expressed by the Canadian representatives that the problem of enforcement facing the United States officials, particularly on the Detroit and Niagara border, might in large measure be solved by a further extension of the system of furnishing information as to shipments of liquor provided by the convention of June, 1924. It will be noted from the report that instructions have been issued to Canadian customs officials to provide more detailed and exact information as to shipments, and that more recently steps have been taken to reduce the number of export docks, which will facilitate securing more complete and accurate data. To cooperate with and assist further the government of the United States in the effective enforcement of its laws, the Canadian government is prepared to permit United States officers to be stationed on the Canadian side of the border, at ports of clearance to be determined, in order to enable the United States officials themselves to transmit immediately to the appropriate authorities in the United States information to be furnished by the Canadian customs officials as clearances are obtained as to the clearance of all vessels for the United States carrying liquor cargoes.

Any further suggestions which would make for increased speed, accuracy, or precision in the conveyance of information to the appropriate United States officials will be sympathetically considered.

Accept, sir, the renewed assurances of my highest consideration.

W. L. Mackenzie King,
Secretary of State for External Affairs.

Ferdinand Lathrop Mayer, Esquire,
Charge d'Affaires,
United States Legation,
Ottawa.

In order that there may be no misapprehension as to what did take place, I now read the communication sent by the minister of the United States to the right hon. the Prime Minister of this country. It reads as follows:

Legation of the United States of America,
Ottawa, Canada,

No. 349

April 20, 1929.

Sir:
I have the honour to refer to your note No. 24 of March 15, relative to discussions