

CENSURE OF EX-MINISTER AND MOVE TO DISMISS OFFICIALS STR OTTAWA

Recommendations for Suppressing Smuggling Likely to Receive General Approval When Debate Opens Next Week

CONSERVATIVES WILL ASSAIL BOIVIN

Action in Axis Case Forms Subject of Disagreement By Committee and is Left for Commons; Proceedings Against 27 Firms and Reorganization of Preventive Service Suggested

OTTAWA, June 18.—Tabling of the report from the committee which investigated the administration of the Department of Customs and Excise today is preliminary to what may prove one of the bitterest debates of the present session of Parliament.

A motion for the adoption of the report, it is expected, will be made in the House by Chairman Paul Mercier on Tuesday. There is a possibility that the debate may open on Monday, but this is not regarded as likely.

The report, with its numerous recommendations, is the chief topic of discussion in Parliamentary circles tonight, involving, as it does, censure of the former Minister of Customs, as well as the recommendation for the retirement and dismissal of a number of prominent officials of the Department of Customs, it has aroused widespread interest.

The recommendations for the suppression of smuggling follow, in certain respects, suggestions made to the committee by the Commercial Protective Association and that they will meet with general approval in the discussion takes place in the House is regarded as likely.

A Conservative amendment involving censure of Hon. G. H. Boivin, Minister of Customs, will, it is stated, be moved during the debate. The action taken by Mr. Boivin in connection with the Moses Axis case in New Brunswick was the subject of disagreement among the members of the committee while the report was under consideration. In order that the report should be unanimous, however, it was determined to leave this contentious matter to the House of Commons. It is expected that the amendment will be moved by Hon. H. H. Stevens, who made the original charges resulting in the appointment of the committee, who has been active throughout the sittings, or by Rt. Hon. Arthur Meighen, Conservative leader.

The possibility of a second amendment to the report, moved by D. D. McKeenley (Progressive, Peace River), the one Progressive member on the committee is also suggested. Just what form this amendment will take is not known.

The report of the committee, in addition to recommending the retirement or dismissal of customs officials, suggests the investigation of the conduct

of others and the taking of proceedings against 27 firms which were the subject of inquiry by the committee. Reorganization of the preventive service and of the appraisal branch of the department of customs and excise is recommended, as well as reduction in the number of ports of entry in Canada.

On the fifth February, 1926, the House of Commons adopted the following resolution:

That a special committee of this House, consisting of nine members, be appointed forthwith to investigate the administration of the Department of Customs and Excise and alleged serious abuses in the collection of customs and excise or corruption on the part of officers of the Department, and others, and that such investigation extend back over such period of time, as the committee may decide and have regard to all matters affecting the prevention of smuggling, the prosecution of offenders, the seizure, storage and disposal of smuggled goods, or goods seized for purposes of excise or other taxes, the appraisal of goods for revenue purposes, the collection of customs and excise duties, the knowledge of ministers or of officials of offences or irregularities affecting the public service in said department, the efficiency of the administration thereof, and the necessity of safeguarding the public revenue and the public treasury, and that such committee have power to send for persons, papers and documents, and to adjourn from place to place, to print the evidence taken before the committee, and to report from time to time.

COMMITTEE NAMED.

By a subsequent resolution the committee was constituted as follows: Mr. St. George, Chairman; Mr. C. W. Bell, K. C., Hamilton West; Hon. R. B. Bennett, K. C.; D. Donohoe; K. G. A. J. Donohoe; J. C. Elliott; K. C. D. M. Kennedy; P. Mercier, K. C.; St. Henri; E. C. St. Pierre; Hon. H. H. Stevens. Mr. Paul Mercier presides. Mr. Elliott having been appointed a minister of the Crown, by resolution of the House of Commons, Mr. William

McKeenley was appointed to succeed him. The committee will meet on Monday, June 21, at 10 o'clock, in the House of Commons.

ing censure of Hon. G. H. Boivin, Minister of Customs, will, it is stated, be moved during the debate. The action taken by Mr. Boivin in connection with the Moses Axis case in New Brunswick was the subject of disagreement among the members of the committee while the report was under consideration. In order that the report should be unanimous, however, it was determined to leave this contentious matter to the House of Commons. It is expected that the amendment will be moved by Hon. H. H. Stevens, who made the original charges resulting in the appointment of the committee, who has been active throughout the sittings, or by Rt. Hon. Arthur Meighen, Conservative leader.

THE POSSIBILITY OF A SECOND AMENDMENT TO THE REPORT, MOVED BY D. D. MCKEENLEY (PROGRESSIVE, PEACE RIVER), THE ONE PROGRESSIVE MEMBER ON THE COMMITTEE IS ALSO SUGGESTED. JUST WHAT FORM THIS AMENDMENT WILL TAKE IS NOT KNOWN.

THE REPORT OF THE COMMITTEE, IN ADDITION TO RECOMMENDING THE RETIREMENT OR DISMISSAL OF CUSTOMS OFFICIALS, SUGGESTS THE INVESTIGATION OF THE CONDUCT

OF OTHERS AND THE TAKING OF PROCEEDINGS AGAINST 27 FIRMS WHICH WERE THE SUBJECT OF INQUIRY BY THE COMMITTEE. REORGANIZATION OF THE PREVENTIVE SERVICE AND OF THE APPRAISAL BRANCH OF THE DEPARTMENT OF CUSTOMS AND EXCISE IS RECOMMENDED, AS WELL AS REDUCTION IN THE NUMBER OF PORTS OF ENTRY IN CANADA.

ON THE FIFTH FEBRUARY, 1926, THE HOUSE OF COMMONS ADOPTED THE FOLLOWING RESOLUTION:

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RED RASH ON FACE AND NECK Formed Eruptions, Suffered Much at Night, Cuticura Heals.

"I was troubled with a rash that broke out on my face and neck. It was very red, and the irritation caused me to scratch it in my sleep. After scratching, little, sore eruptions formed. I suffered much at night, and my sleep was broken. It looked hopeless until I began using Cuticura Soap and Ointment. After a few days the eruptions started to heal, and after using five cakes of Soap and five or six boxes of Ointment I was healed." (Signed) G. Harding, 2233 Florian St., Montreal, Que.

Daily use of Cuticura Soap, with touches of Cuticura Ointment now and then, keeps the skin fresh, smooth and clear. Cuticura also is ideal for the skin.

Sample Soap Free by Mail. Address: Canadian Agents, Cuticura Shaving Soap, 226.

THIS FAMOUS ENGLISH BEVERAGE EXPRESSES UPON THE MIND AND STRENGTHENS THE DIGESTION, AND BUILDS UP THE WEAK AND UNWELL. TRY DRINKING THE TRIPLY DISTILLED PURE MALT BEVERAGE DAILY. THE CANADIAN NATIONAL PACKAGE MAKES THREE.

MR. ALLEN & CO., 226 BROAD ST., TORONTO.

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DIFFICULTY WITH U. S.

5.—Since 1897 the customs department has been under the control of a responsible minister. In 1918, the department of excise, which has been a separate department of the public service since the year 1898, was amalgamated with the customs department and in 1920 and 1924 respectively, the amalgamated departments were charged with the collection of sales and income taxes. The administration of these amalgamated departments, is a serious task. The customs frontier between the United States and Canada, is a very long one, and the position and number of bridges and highways crossing the boundary together with the extended line of sea coast, render the suppression of smuggling difficult. The adoption by the United States of the eighteenth amendment has increased the difficulty, because it has made the incentive to illegally convey liquor to the United States, very

great, and with the mass production of many products in that country, there is a correspondingly great incentive to illegally import such products into Canada. In the year 1925, smuggling assumed such large proportions, that a number of business men made representations to the government, in consequence of which an act, chapter 88 of the statutes of 1925, was passed, making smuggling an indictable offence, where the goods were of the value of more than \$200 and the penalties incurred by such smuggling increased.

DEPARTMENT DEGENERATES. 6.—The evidence submitted to the committee leads to the general conclusion that for a long time the department of customs and excise has been slowly degenerating in efficiency, and that the procedure has greatly deteriorated in the last few years. Apparently the Hon. Jacques Bureau, then Minister of Customs, failed to appreciate and properly discharge the responsibilities of his office, and a result there was a lack of efficient,

continuous and vigorous control of subordinates by the headquarters staff at Ottawa.

7.—The procedure provided by the customs act in the matter of customs seizures is as follows: Upon making a seizure the collector or seizing officer forthwith reports the circumstances of the case to the commissioner of customs, (Section 174). Thereupon the commissioner notifies the owner or claimant of the thing seized, stating the reasons for the seizure, and calls upon such owner or claimant to furnish within 30 days, any evidence he may desire to submit (Section 175).

After the expiration of 30 days or sooner, if evidence is forthcoming on the part of the owner or claimant,

"the commissioner may consider and weigh the circumstances of the case, and report his opinion and recommendation thereon to the minister." (Section 176).

PROCEDURE NOT FOLLOWED. The minister thereupon either gives his decision and states the terms upon which the things seized or detained may be released or the penalty or forfeiture remitted or refers the decision to the court. (Section 177). The committee finds that this procedure was not followed. Although, as a rule the facts are correctly recited in the summary submitted to the minister, the opinion is not infrequently

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of others and the taking of proceedings against 27 firms which were the subject of inquiry by the committee. Reorganization of the preventive service and of the appraisal branch of the department of customs and excise is recommended, as well as reduction in the number of ports of entry in Canada.

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THAT A SPECIAL COMMITTEE OF THIS HOUSE, CONSISTING OF NINE MEMBERS, BE APPOINTED FORTHWITH TO INVESTIGATE THE ADMINISTRATION OF THE DEPARTMENT OF CUSTOMS AND EXCISE AND ALLEGED SERIOUS ABUSES IN THE COLLECTION OF CUSTOMS AND EXCISE OR CORRUPTION ON THE PART OF OFFICERS OF THE DEPARTMENT, AND OTHERS, AND THAT SUCH INVESTIGATION EXTEND BACK OVER SUCH PERIOD OF TIME, AS THE COMMITTEE MAY DECIDE AND HAVE REGARD TO ALL MATTERS AFFECTING THE PREVENTION OF SMUGGLING, THE PROSECUTION OF OFFENDERS, THE SEIZURE, STORAGE AND DISPOSAL OF SMUGGLED GOODS, OR GOODS SEIZED FOR PURPOSES OF EXCISE OR OTHER TAXES, THE APPRAISAL OF GOODS FOR REVENUE PURPOSES, THE COLLECTION OF CUSTOMS AND EXCISE DUTIES, THE KNOWLEDGE OF MINISTERS OR OF OFFICIALS OF OFFENCES OR IRREGULARITIES AFFECTING THE PUBLIC SERVICE IN SAID DEPARTMENT, THE EFFICIENCY OF THE ADMINISTRATION THEREOF, AND THE NECESSITY OF SAFEGUARDING THE PUBLIC REVENUE AND THE PUBLIC TREASURY, AND THAT SUCH COMMITTEE HAVE POWER TO SEND FOR PERSONS, PAPERS AND DOCUMENTS, AND TO ADJOURN FROM PLACE TO PLACE, TO PRINT THE EVIDENCE TAKEN BEFORE THE COMMITTEE, AND TO REPORT FROM TIME TO TIME.

COMMITTEE NAMED. BY A SUBSEQUENT RESOLUTION THE COMMITTEE WAS CONSTITUTED AS FOLLOWS: MR. ST. GEORGE, CHAIRMAN; MR. C. W. BELL, K. C., HAMILTON WEST; HON. R. B. BENNETT, K. C.; D. DONOHOE; K. G. A. J. DONOHOE; J. C. ELLIOTT; K. C. D. M. KENNEDY; P. MERCIER, K. C.; ST. HENRI; E. C. ST. PIERRE; HON. H. H. STEVENS. MR. PAUL MERCIER PRESIDES. MR. ELLIOTT HAVING BEEN APPOINTED A MINISTER OF THE CROWN, BY RESOLUTION OF THE HOUSE OF COMMONS, MR. WILLIAM MCKEENLEY WAS APPOINTED TO SUCCEED HIM. THE COMMITTEE WILL MEET ON MONDAY, JUNE 21, AT 10 O'CLOCK, IN THE HOUSE OF COMMONS.

OF OTHERS AND THE TAKING OF PROCEEDINGS AGAINST 27 FIRMS WHICH WERE THE SUBJECT OF INQUIRY BY THE COMMITTEE. REORGANIZATION OF THE PREVENTIVE SERVICE AND OF THE APPRAISAL BRANCH OF THE DEPARTMENT OF CUSTOMS AND EXCISE IS RECOMMENDED, AS WELL AS REDUCTION IN THE NUMBER OF PORTS OF ENTRY IN CANADA.

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