

*Canada Shipping Act—Munitions*

That it is expedient to introduce a measure conferring authority upon a transport commission (the board of railway commissioners to be known as such) to license, regulate and control the transport of passengers and goods by railways, ships and aircraft, and to fix licence fees and transportation tolls and charges and regulate and control other matters incidental thereto.

He said: His Excellency the Governor General, having been made acquainted with the subject matter of this resolution, recommends it to the favourable consideration of the house.

Motion agreed to.

## INSPECTION AND SALE

PROPOSED REGULATIONS RESPECTING BINDER  
TWINE, SALT AND OTHER COMMODITIES

Hon. J. G. GARDINER (Minister of Agriculture) moved that the house go into committee at the next sitting to consider the following proposed resolution:

That it is expedient to introduce a measure to regulate the inspection and sale of binder twine and salt, to establish weight of bushel for certain commodities commonly sold by the bushel and to authorize the appointment of inspectors and analysts.

He said: His Excellency the Governor General, having been made acquainted with the subject matter of this resolution, recommends it to the favourable consideration of the house.

Motion agreed to.

## CANADA SHIPPING ACT, 1934

CONTROL OF SHIPMENT OF MUNITIONS BY SHIPS  
REGISTERED IN CANADA

Hon. C. D. HOWE (Minister of Transport) moved the second reading of Bill No. 9, to amend the Canada Shipping Act, 1934.

He said: This bill was prepared for last session, but as that session was shortened on account of the coronation and the imperial conference proceedings it became impracticable to introduce it then.

It will be recalled that during last session parliament amended section 290 of the Customs Act in order, among other things, to modernize and make more effective the long standing power to control the export from Canada of arms and munitions of war, including articles capable of being converted thereinto or made useful in the production thereof. That amendment was the result of careful inquiries conducted by the government into the proceedings of the committee of the Geneva disarmament conference which had studied the international traffic in arms and munitions. The actual practice of other

countries in the same field was also considered. Last year's legislation, so far as the control of exports is concerned, placed Canada in line with many other countries throughout the world, including Great Britain and the United States and western European countries.

In pursuance of that legislation the government, also in line with the practice of the countries mentioned, has established a licensing system covering a specified list of arms, ammunition and implements of war. This list is in general conformity with a list which was compiled by the committee of the disarmament conference and with similar lists adopted by other countries. The result is that none of the arms or other articles specified in the list can be exported from Canada without a licence issued by the Department of National Revenue. The applicant for such a licence is required to give full information regarding the proposed export, and upon his furnishing this information the licence is issued, except in cases where a duly authorized restriction has been placed upon exports to the proposed destination. The result of such licensing systems established by various countries is that information becomes readily available as to the extent and character of the trade in arms.

In further pursuance of last year's amendment of the Customs Act, an order in council was passed at the end of July, 1937, specifically prohibiting the export to Spain of this list of arms, munitions and implements of war; so that no licences can be granted for such exports to Spanish territory. As is well known, twenty-seven European countries were engaged in an effort to carry out a non-intervention agreement respecting the Spanish conflict. This agreement, whatever may be said as to evasions of it, contemplated that the countries concerned should refrain from supplying arms and implements of war to either side of that conflict. It is understood that the broad aim of the agreement is to prevent other countries from becoming embroiled and thus to prevent the conflict from spreading, while it was also hoped to shorten the conflict. Canada is not a party to the non-intervention agreement; but it is no part of Canadian policy to intervene in the Spanish conflict, and it was undesirable to leave Canada in a position of seeming to sanction activities which might to some extent defeat or run counter to the purposes of the agreement and to the general policy of neutrality. Accordingly, the above mentioned order in council of July last was passed. It will be recalled that earlier in the year the United States government had also prohibited the

[Mr. Howe.]