

says : Let the matter go on, let all these vessels ply backwards and forwards, and send some one out here, do not press me to report as to the reasons for thinking there is an undervaluation, I do not care to be troubled, and I would rather be out of it. That is practically the gist of that letter. Now on June 28, 1899, Mr. Kersey's letter of May 28, was sent to the collector of customs, Mr. Davis, at Dawson, by the Department of Marine and Fisheries, and on June 19, 1899, Mr. Davis sends a very meagre report, which is found on page 12 of the return. He has been ordered to report, and he says :

Re file No. 42,568. I beg to hand you herewith report asked for.

That is all. Turn over to page 13, and this is all we find, just the name of the ship, her tonnage, her owner, the appraiser of the hull, \$7,000, engine, machinery, \$3,000, duty paid \$1,456, appraised by J. E. Nansen, M. A. C. Co., Dawson, Captain J. M. Gilham, Dawson. The other names I gave in full from the proper return. That is a nice statement for an officer to give to matters of so serious an import. At any rate, these false statements are made. On June 29, 1899, this matter came up in the House, and was discussed fully. I am not going to repeat it. I am merely showing how often the matter was pressed. On July 21, there is a letter from Belcourt & McDougal, who were acting for these British vessels affected by all this legal business. At page 13, is something I will trouble the House to allow me to read. After explaining for whom they acted, they respectfully wish to call the attention of the Minister of Customs :

To what we believe the serious cases of contravention of the Merchant Shipping Act and of infringement of the customs regulations of Canada by which we believe that the customs of Canada have been defrauded.

The rest of the letter refers to other vessels.

With regard to the 'John C. Barr' the register reveals the fact that this vessel, which is also foreign built, was entered at Dawson in the name of one John Stinehoff, of Dawson, miner, on the 3rd day of June, 1899. The 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 Stinehoff in his capacity as a '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 \$50,000. Our clients believe that the transfer in this case was also a colourable one, and that the beneficial ownership in the boat still remains in the North American Transportation Company, and one reason for believing so, is that in the month of June and after the transfer above referred to, the vessel appeared at the Canadian port of White Horse Rapids, flying the flag of the North American Transportation Company, and bearing 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 they go on to point out that there is a clear case, or that

Str CHARLES HIBBERT TUPPER.

one can be made out, and they refer to the hardship inflicted upon their clients. On July 24, the hon. senior member for Victoria put upon the paper series of questions, and they relate to this ship as well as to others, and to the facts involved. The Customs Department in a letter to Belcourt & McDougal, dated August 12, state that Mr. McMichael left some weeks ago to examine into the valuation, and that the registration is a matter for the Department of Marine and Fisheries. In regard to this matter you will find that there has not been the slightest kind of an attempt to probe that to the bottom. On the 6th of July the matter was gone over in the House and the strongest evidence was before the department of the fraud, as well as circumstantial proof of these serious statements which were being made and not one single attempt to investigate the question of fraudulent ownership, or the declaration of ownership, has ever been made. We will find, and I ask your attention to this important fact, that just as in the case of the *Yukoner*, when Wade & Aikman were against the ship, the law was disregarded entirely, the ship was seized and the wishes of Mr. Wade were carried out. In this case, Mr. Wade was for the ship, and the ship ran through every Act of parliament relating to shipping and the wishes of Mr. Wade were adhered to until it became too scandalous—and scandalous in the extreme it was—in regard to the very low undervaluation which was made and in regard to the punishment which was simply to increase the valuation, still being below the true valuation, in addition to which there was a relatively small fine that would not amount to the proper duty had the vessel been entered at a proper value. These gentlemen have been able not only to run through the hands of Mr. Davis, but they have been able to run the gauntlet of the Department of Marine and Fisheries. On the 21st of July, 1899, there is a full statement of the facts from Belcourt & McDougal, and it will be found on page 5 of the return. I am not going to read it over because I recite a large part of it in the resolution, but I simply call attention to the fact that this firm, representing the parties interested in the other properly registered British vessels, go into the question of the undervaluation and improper registration. They sent a copy of this letter to the Board of Trade in London, and the Board of Trade in London sent it to the Department of Marine and Fisheries, who in Canada are responsible in regard to the question of the nationality. On the 7th of September, 1899, the Department of Marine and Fisheries wrote that the valuation is a matter for the Customs Department, and that in regard to registry there is no evidence but that Mr. Kersey may take such proceedings as he likes—a more extraordin-