

without passing through any foreign territory. That was the question, and a discussion arose because of that clause, which might be availed of, in order that when shipping facilities became well established there should be no more shipping in bond through a foreign country, but that the shipments should come direct. That was what gave rise, I imagine, to the discussion; that is the meaning I take from the report read by my hon. friend. Doubt was expressed whether or not, the word 'direct' being there, they would have, when they did not get proper communication by vessel direct to Canadian ports, what they always have had, the privilege of shipping in bond through New York, say, and of paying the Canadian duty upon their goods. I think the discussion went on to show that the word 'direct' was not meant to confine goods to shipment by vessels which came directly, we shall say from the Barbadoes to St. John or to Montreal, but that it had a different meaning from that, that until the two parties were agreed that the shipping facilities were sufficiently well established to allow of the policy of direct water shipments being adopted, that is to say without passing through foreign territory, the facilities of direct shipment through New York, Boston or any other American port in bond, which had obtained for many years previous, should be still be open to them. That was the only point discussed by the delegates in conference. That was undoubtedly the meaning, and in that sense, that was all that was meant by the word 'direct,' namely, that the goods should get from the West Indian colonies into Canada as imports of the West Indian colonies, and vice versa, in order to be eligible for the preference. Now, they are eligible for that preference when they go in bond through New York, we shall say, either from Canada to the West Indies or from the West Indies to Canada, that is when they go in bond through New York and are not broken in bulk, when they are sealed, go through under supervision.

Mr. GUTHRIE: I have only a partial report here, but did the Barbadoes legislature in their final consideration retain the words, when imported direct from any British country?

Mr. FOSTER: I have not seen the latter part of the discussion.

Mr. GUTHRIE: This is dated 10th August, and it says that matter was postponed for further consideration.

Mr. FOSTER: I think from reading that, that what they were discussing then was not whether their goods could go through United States territory or not.

Mr. PARDEE: Then do the words expressed in clause 2 of the agreement carry out what was intended by the agreement at the conference.

Mr. FOSTER: Yes, with this addition. My contention is that the legislation we are discussing does not vary the import of the agreement. Those goods imported into Canada would be eligible to a certain preference reduction in the duty. To be imported into Canada they had to go either direct, meaning not passing through foreign territory, or if they did pass through foreign territory they had to go direct by shipment under bond. That was all that was contemplated, and that is all that is made necessary by this legislation.

Mr. PARDEE: It may be the import of the agreement, but I think the hon. minister will admit that it is not the letter of the agreement.

Mr. FOSTER: I think it is not different in effect.

Mr. PARDEE: If that is so then, is it necessary from any standpoint, say from the legal standpoint, to add the words 'imported direct' at all? If I understand my hon. friend the Minister of Trade and Commerce, his argument is that the agreement and clause 3 of this Act with those words interjected, mean one and the same thing. Then why change them at all so as to make clause 3 of the Act not conform exactly to clause 2 of the agreement?

Mr. FOSTER: They mean exactly the same thing.

Mr. PARDEE: Then was the agreement of the other colonies that were parties to this agreement the same, and will their legislation, or the import of their legislation, be the same as that which is before this Parliament?

Mr. FOSTER: I cannot say literally whether the Acts which they have passed are exactly in that verbiage or not. But let me give again my view of the case. Those delegates who sat together were not framing Customs Acts. They were sitting down together as a number of business men, and were making an arrangement, one with another. They knew the previous course of trade, and they knew the course of trade which in certain contingencies might be taken. The course of trade had been and is to-day that the exporter from the colony can send his goods into Canada by two different routes, by water to Halifax or to St. John or to Montreal, in which case they do not pass through a foreign country, or by shipping via New York, bonding them through, and having them come to the Canadian Customs house, paying exactly the same duty. That was the importation which the business men,