

out the Customs officials supervising the landing of the fish or watching them while they were in bond, and ascertaining beyond doubt that the fish exported were those which had been in bond. In every case I have been assured by the Customs officials in Halifax and other ports in the Maritime Provinces that such is not the case; they have assured me that in all cases where foreign fish, whether French or Newfoundland fish, or any other foreign fish, are landed, they are received under the supervision of Customs officials, and when exported they take care to see, in repacking, resorting and reloading, that the fish exported are those which were in bond. I was afraid the House would be under the impression that there was no strict supervision whatever over the management of this particular branch of Customs. If that should be the case, I have been misinformed both by my inspectors and the different collectors.

Mr. KENNY. As this is a matter which concerns the merchants of Halifax who are 1,000 miles from here, I may be allowed to interrupt the hon. the Minister of Customs to say that I am afraid that he is leaving the impression on the House that I intended to insinuate that there have been irregularities in the management of Customs with regard to this matter. I have never heard of any. I can confirm what the hon. the Minister has said, from what I have heard in connection with the trade. To my knowledge, we have never had any irregularity. My contention is, however, that this is a matter which is open to be abused, because, necessarily, these fish in bond cannot be subjected, to the same mode of treatment to which all other classes of goods in bond are subjected, and to which our fish, when we ship to the United States in bond, is subjected to in that country.

Mr. BOWELL. I am sorry the hon. gentleman misunderstood me. I did not intend to leave the impression on the House that he had made any imputation, directly or indirectly, against the merchants of Halifax. On the contrary, what I took down was that they were allowed to enter without customary supervision. What I wanted to point out was what my hon. friend has said, that I made special enquiry into that very point, and I found by the reports from the inspectors and the Customs officials, whose duty it is to look after the interests of the revenue in this particular, that the supervision over the importation of fish was precisely the same as it would be over the importation of coal or pig iron, or anything else, and that no irregularity existed in the Customs Department in the city of Halifax, or in any other part of the Maritime Provinces, in this respect. I have given as plainly as I can the reasons which induce the department not to interfere with the practice which has prevailed in the past. I was under the impression, and I have not yet heard anything to change my mind, that the practice has not been abused. I cannot understand how the fishermen of Nova Scotia can have their interests interfered with by allowing the foreign article to come into the country and be reshipped out of it again, any more than I can understand how the importation of a million gallons of whiskey placed in bond and reshipped out of the country could interfere with the market of the distillers in this country. There is only one way in which it could, and that would be by substituting water for the whiskey in the barrel, which has been done occasionally, and by that means committing fraud. A fraud somewhat similar might be practiced with regard to the fish. If the fish were brought into the country and went into consumption without paying duty, or if they were an inferior fish which would go into consumption and the better quality taken out, so that the merchant would receive the higher price for that better quality, it would be for his advantage; and, *vice versa*, if they sent out the inferior article, and sold the better article in the country, to take the place of the inferior article, I could understand that would interfere with the merchants,

not only in the Maritime Provinces, but in the whole Dominion. I shall esteem it a favor, if it can be pointed out to the department where any particular instance has occurred in which the market has been interfered with, or any fraud perpetrated under the system which has prevailed. No doubt, under all regulations, frauds may be perpetrated, no matter how strict the surveillance. In our bonded warehouses, siphons have been placed in barrels, in the upper story, and the liquor abstracted from the puncheons, and water substituted, and we did not find it out until the liquor was all gone. I do not pretend to argue that the ingenuity of man is not such that he cannot find means to commit fraud, no matter how strict the regulations may be, or how binding the oath he has to take, but until fraud is shown to have been committed, I do not think it would be advisable to change the system. The moment a single instance is pointed out to me where the rules have been abused, and the fishermen have suffered, or where the revenue has been defrauded, I will make further investigations, and devise regulations still more stringent, if necessary, than those which prevail in the United States.

Mr. DAVIES (P.E.I.) I must say I agree with the senior member for Halifax (Mr. Jones) and the hon. the Minister of Customs in this matter. I cannot see how the importation of fish in bond for subsequent export, can in any way interfere with the trade of our own fishermen. It is admitted on all sides that the importation of these fish in bond has not given rise to any irregularities or fraud, and it does seem to me that the motion of the hon. gentleman from Shelburne (Gen. Laurie), that these fish should be admitted in bond after they have been put in casks, would amount to this, that the work and labor now given to the people in Halifax in taking the fish in bulk and putting them in packages would be transferred to the laborers at St. Pierre-Miquelon. We must recollect that there are but two markets open to our fish, the West Indies and the United States. We know that during the last two years there has been a great development in the fishing industry in the county of Lunenburg, so much so that to-day a very large fleet of fishermen are engaged in the capturing and curing of these fish, and the result is that the markets are glutted. Those who have a knowledge of the trade know well that the West India market is at any time comparatively small, and that the shipment of two or three schooner loads to one of the islands would glut the market. The remedy is not to be found by hampering trade, by prohibiting the importation of fish into the country, but by the opening up of new markets. The junior member for Halifax (Mr. Kenny) has expressed, no doubt, the very strong and sincere sympathy which he feels for the fishermen, but I would ask if he has devoted his attention for any length of time to discovering how the market for our fish can be enlarged? He has been told by one of the most practical and experienced men in the trade that it is essential we should obtain, in order to fully develop that industry, free admission into the markets of the United States. I am in hopes that he will even yet see eye to eye with hon. gentlemen on this side of the House, not only in reference to this question, but also in regard to all other maritime interests. I would suggest to the hon. gentleman whether it would not be well for him to bring that influence, which he must have with the Government, to bear in order to treat the fishermen as favorably as the Government treat the coal owners of Springhill. There is a market, though it is true it is a limited one, for these fish in Montreal; but, owing to the regulations, and owing to the tariff on the Intercolonial Railway, the distance is so great and the expense is so great that we cannot ship that fish to Montreal and make it pay. I believe the cost of transferring a barrel of fish from Halifax to Montreal is 60 cents, and that makes some \$50 on a carload of fish. The