

sion on the 16th of August, 1912, and this very point raised by the hon. member for St. John was brought up. In the official report of the proceedings in the Legislature of the Barbadoes on the 16th of August, I find the following:

The PRESIDENT said there was a long discussion in the other branch of the legislature as to the construction to be put upon the words 'when imported direct from any British country.' 'Imported direct' would seem to imply that these goods must not pass through any foreign country on their way to their destination. There was some difference of opinion as to the meaning of the words. If the words meant that the goods of Canada must come direct to Barbadoes then that was not the intention of the legislature or the present wish of Canada. If hon. members looked at section 4 they would find that it read:

On and after any date to be named by the legislature and published in a proclamation in the Official Gazette the British preferential tariff shall apply only to goods brought into this colony by ship direct without transshipment from the country of production or by way of any other British country.' He thought the word 'direct' was a very unfortunate word to use.

Hon. J. O. WRIGHT: Section 4 says the articles must come direct.

The PRESIDENT continued: Section 4 said that was to be so at some time in the future, when there were steamships and proper arrangements to meet these requirements. There was no intention on the part of the Government of Canada, nor was it the intention of the Government of this colony to prohibit at once the importation in bond through New York of goods from Canada. The Canadian minister said in effect that a change of the present system could not be brought about until proper steamship communication between Canada and the West Indies had been provided, and it was therefore understood as being absolutely necessary to the trade of the two countries that Canadian flour and other produce and manufactures of that country should pass through the United States as heretofore in bond, and be shipped to the colonies from New York. There was a long discussion at the conference on this point, and the Canadian representatives said in terms that they hoped the time would come when there would be such a linking up of the West Indies and Canada through the development of the Canadian ports and the establishment of subsidized steamship lines that there would be no need for any through trade via the United States. It was hoped that at some time in the future the benefits to be derived by both sides under the agreement would be restricted to direct shipments from Canada to the West Indies, and vice versa. But it was practically admitted that the time had not come yet, and it would be some time before it came, when all shipments could be made direct. It would greatly interfere with the Canadian trade if the shipments of that country's produce and manufactures through New York were stopped, and Canada would not like to be placed in that position, because the Canadians were not ready to make all shipments

Mr. GUTHRIE.

direct from their ports. There was a great deal of discussion as to what should be done with the Canadian goods, to prevent, say, American flour from coming down here and perhaps getting the benefit of the preferential duty. When he went to New York he visited the business house of Messrs. Strauss & Company and there he had the whole thing explained to him. There was no need for warehouses to store flour coming from Canada via New York. He was told that the goods were all taken to the Central railway depot in cars sealed by the customs authorities where they were kept for a very short time before shipment. So that now really the trade between Canada and Barbadoes and Demerara was for the most part done by way of New York, and neither the Canadian Government nor these colonies for the time being desired to have that altered. He thought it would be beneficial to have it made absolutely clear in section 2 (a) that the words 'imported direct from any British country' should cover the transmission of Canadian goods as at present via New York.

After a conversational discussion the council resumed with leave to the committee to sit again, and the further consideration of the Bill was postponed in order to afford an opportunity to consider the point.

It appears to me that if the words 'when such goods are imported from any British country into Canada' have any meaning at all, they should be struck out if the Act is to conform with the treaty. If they have no meaning, I do not see any very great objection to them if they merely permit importations through the United States. The word 'direct' is certainly a most embarrassing one, and I would think a customs official, in interpreting a section with such words in it, would at once say that the importations was not a direct one. We have, then, the discussion which took place on that very point in the Legislature of the Barbadoes, as well as the president's recollection of the discussion which took place at Ottawa. It seems to have been the opinion of all parties that direct importation was one thing, and importation from the United States another, and that direct importation would be the best method of dealing as between the two countries, and in the meantime, until steamship lines have been established, that the shipments should be made via New York as before. The words in question—and particularly the word 'direct'—are the most important in the section, and if the minister wants to have his Bill conform with the agreement I would suggest that the words be deleted, or that it be made clear in some other way that these words shall not in any way alter, limit or restrict clause 2 of the agreement.

Mr. FOSTER: When I was listening to my hon. friend reading that, the idea I got was in regard to direct shipment by vessel, a shipment which leaves the West Indies and goes direct to Canadian territory