honour to transmit to Your Excellency herewith copy of a note which I have received from Secretary of State. It appears that the competent authorities of the United States Government cannot see their way to grant the desired permission for the transport of this liquor.

I have the honour to suggest, however, that Your Excellency may be disposed to cause this question to be discussed at the commencement of the forthcoming conference on liquor smuggling to be held at Ottawa, and that the Canadian Government might consider it desirable to intimate through their representatives that a satisfactory issue of the Conference might depend to some extent upon the adoption of a reasonable attitude on the part of the United States Government with respect to the legitimate requirements of the Yukon Territory.

I have etc.

H. G. CHILTON

[PIÈCE JOINTE / ENCLOSURE]

Le secrétaire d'État par intérim des États-Unis au chargé d'affaires aux États-Unis

Acting Secretary of State of United States to Chargé d'Affaires in United States

Washington, September 13, 1923

Sir,

I have the honour to refer to my note dated August 16, 1923, replying to your note No. 670, dated August 9, 1923, concerning the difficulties arising in connection with the importation of liquor into Yukon Territory through Skagway, Alaska. You stated that the reason for these difficulties appeared to be that the authorities of this Government consider, under the recent Supreme Court decision in the case of the Cunard Steamship Company Ltd., v. Andrew W. Mellon et al, that the transportation of liquor across any territory of the United States is prohibited. You also stated that in the view of the Government of the Dominion of Canada liquor shipments for the territory of the Yukon Government cannot be considered to be analogous either to in-transit shipments across American territory from Canada to Mexico or to liquor on board a vessel intended for consumption thereon. You state that shipments of liquor for Yukon Territory appear rather to imply a question of principle similar to that of shipments of liquor through the Panama Canal, which latter were by Congress specially exempted from the operation of the prohibition laws of this country.

A communication has now been received from the appropriate authority of this Government which states that several months ago Hon. George P. MacKenzie, Commissioner of Yukon Territory, called in person and expressed a desire for permission to transport liquors from Skagway, Alaska, across American territory into Yukon Territory. After full inquiry and lengthy consideration, it was decided, particularly in view of the decision of the