

in the effect upon the tariff on the goods as though they had come in direct from the port in the West Indies to the port in Canada as far as all advantages were concerned in the British preference which the West Indies were receiving during these fifteen years. In no way could they get their goods through the territory of the United States, except through the channel provided by the customs laws and regulations of Canada. That fact, of course, was in their minds. The point was not raised as to their getting further advantages, for instance, having the privilege of making New York, Portland, or any other port in the United States a jobbing place for American merchants who could bring goods from the West Indies, warehouse them there, and job them out, some to one place, some to another, and send them in parcels as they pleased to this country, and then say that because they had their origin in these islands, they could come in under the British preference.

Mr. OLIVER: Might I ask my hon. friend, is he saying that the present condition is direct shipment through the United States or the condition of jobbing that he speaks of?

Mr. FOSTER: The hon. gentleman is asking as to the condition which now exists and has existed for fifteen years? I say it is absolutely direct shipment under the regulations and within the meaning of the Customs Act. I was going on to say that, with that idea in their minds, the delegates came to their conclusions. With that knowledge, they made no stipulation for any wider privileges. I do not believe they wanted them; certainly they did not ask for them. Under this legislation, they get exactly what they have had for fifteen years.

Mr. PUGSLEY: Under the treaty, they apparently get wider conditions, even if they did not ask for them.

Mr. FOSTER: They do not get wider conditions so far as customs duties are concerned, and the channel by which goods come in and the regulations and laws they must obey.

Mr. PUGSLEY: Then why does not the hon. gentleman simply ratify and approve the treaty? Does he think to put in a qualification that is not contained in the treaty?

Mr. FOSTER: That is another question, which I will take up later. But I have nailed this part down. Do hon. gentlemen agree that under this legislation, we accomplish absolutely what I have said—that they have the same privilege in rela-

tion to direct shipment cut through New York or any other port in the United States that they have had for fifteen years?

Mr. MACDONALD: Why should you want to bring them there?

Mr. FOSTER: Let us first agree on what we agree upon.

Mr. OLIVER: I do not read it as the hon. gentleman has interpreted it. If I understand it correctly, it expressly excludes all possibility of bringing goods by way of New York. I am not questioning the right or wrong of it, all I say is that I do not agree with this reading. The Bill provides:

The goods enumerated in schedule B to the said agreement shall only be entitled to the advantages or concessions provided for by this Act when such goods are conveyed by ship direct without transshipment into the sea or river port of Canada from any one of the respective colonies to the said agreement.

Mr. FOSTER: Where does the hon. gentleman find that?

Mr. OLIVER: In section 5.

Mr. FOSTER: My hon. friend is discussing something quite different from that which I am discussing. Section 5 speaks of a contingent power which may be developed and called into action. I will explain that. We are not discussing the shipping clause, or direct shipment as a condition of preference.

Mr. OLIVER: I understood we were. Will the hon. gentleman say what section is under discussion?

Mr. FOSTER: Section 3, as my hon. friend should know. That is quite different from section 5, which takes up another branch of the subject which we shall come to a little later.

Mr. OLIVER: Just on that point: The word 'direct' is used in section 3?

Mr. FOSTER: Yes.

Mr. OLIVER: Is it not a fair and reasonable conclusion that the word 'direct' in section 3 has the same significance as it has under section 5?

Mr. FOSTER: No, it is not reasonable to suppose that, because it is not true; if the hon. gentleman will allow me—

Mr. OLIVER: I will allow my hon. friend, if he will explain why it is not true.

Mr. FOSTER: I did not know that I should be under the necessity of explaining to a former minister of the Crown so elementary a proposition as that.