

Mr. CLARKE: Of course, the re-export trade to Central America would be more likely to take place from the United States than from Canada; and perhaps the same thing would be true with respect to South America, because the United States have better steamship facilities than we have.

The CHAIRMAN: They use quite a little of our grain to attract steamships to their ports.

Mr. CLARKE: That is true.

The CHAIRMAN: If we paid a little more attention to the matter I think we could double our own ports instead of permitting the United States to attract traffic to their ports with our goods.

Mr. CLARKE: Yes, that is true. But we do not necessarily need free ports. That does not necessarily follow.

The CHAIRMAN: No. That is outside the question.

Mr. CLARKE: There is one point I should like to clear up. The Vancouver Board of Trade is opposed to the present legislation, but think further study should be made of the whole scheme before a definite decision is reached. It was because of the Vancouver recommendation that our executive submitted to you the last paragraph of their memorandum.

Hon. Mr. BARNARD: Did they state the nature of their objection?

Mr. CLARKE: They did not think enough consideration had been given to the matter, and were of the opinion that the business interests of Canada had not a sufficient knowledge with respect to it.

The CHAIRMAN: That is a recognized fact. It was a recognized fact in the United States also. The opposition in the United States was similar to what we are encountering in Canada, and it took twenty years to build up a favourable public opinion.

Hon. Mr. MURDOCK: That is a fact, possibly, because, I presume, there are many others who, like myself, never heard of free ports before and never gave the subject any consideration. As a consequence, on the impulse, they are opposed to the idea of interfering with customs prerogatives and privileges. After hearing Major Stephens I think we are all of the opinion that there is another side to the question.

Hon. Mr. KING: The American people having established, through legislation, one port in New York, and being likely to establish others on the Pacific coast, what effect would that have on your attitude?

Mr. CLARKE: Well, Mr. Chairman, as I understand it, our country is not as favourably situated as even the United States to derive advantages from free trade ports. The United States, for example, have their southern ports, which are much nearer to Central and South America, and they have much better steamship facilities than we have.

Hon. Mr. MURDOCK: Would not our country provide a splendid point for the distribution in the United States of the products of British Empire countries?

Mr. CLARKE: The late history of our commerce has not so shown, has it?

Hon. Mr. MURDOCK: No.

Mr. CLARKE: I quoted the re-export figures of Canada.

Hon. Mr. MURDOCK: But if there were a place here where South Africa and other Empire countries could store their goods for the time being, preparatory to securing information and making proper distribution on the North American Continent, might not Canada be a fairly good distributing point?

Mr. CLARKE: I think it is quite possible, but it would have to be so proven, and I doubt that our free port would be taken advantage of because the goods could be shipped direct to the United States. Why South Africa would ship to Canada when she could ship to the United States direct, I cannot see.