

but I would ask whether he is as capable of forming a fair conclusion as was the independent officer who was sent to investigate the facts? The chief inspector, Mr. McMichael, a man of great experience and high character, who, for many years, has been engaged in investigations of this kind, was much better qualified to form an impartial judgment than the hon. gentleman, who, from a hasty examination of the papers, draws his conclusion. I hold in my hand Mr. McMichael's report. He does not insinuate that there was fraud. On the contrary he reports to the collector:

It appearing to me, in connection with this entry, that the steamer had been erroneously appraised and allowed entry at an erroneous valuation by the collector of customs at Dawson, I examined the said steamer and made careful inquiry and investigation.

So far as his report goes, he reports that there was undervaluation only.

Mr. MONTAGUE. The hon. minister does not think there was any frauds.

The MINISTER OF MARINE AND FISHERIES. I do not think it follows at all. I am not able to judge. I have not the facts to enable me to judge. The hon. gentleman draws a very hasty conclusion, and all I have to say is that the officer who went there to investigate concluded there was an erroneous valuation, and a double duty was charged and paid into the treasury.

Mr. WALLACE. Where did they pay the double duty?

The MINISTER OF MARINE AND FISHERIES. On the additional valuation under section 8 of the Customs Act, \$1,800, and the penalty on undervaluation \$1,800, so that the total they paid, over and above what they have previously paid, amounted to \$3,600. The chief commissioner McMichael made a proper recommendation or he did not. Taking into account his experience and the fact that he went on the spot and examined the vessel, I would prefer to take the conclusion of Mr. McMichael rather than the hasty judgment formed by the hon. gentleman from a hasty perusal of the papers and from his imagining that some party, whom he hates, was there, who was not.

Mr. MONTAGUE. In the case of the *Yukoner*, the charge was more than imaginary.

The MINISTER OF MARINE AND FISHERIES. We are not discussing the *Yukoner* case. The hon. gentleman is not able to form an opinion on this case from the papers and facts, and so rushes off into another case. Because this man Wade appeared in the *Yukoner* case, therefore, the hon. gentleman argues he must have appeared in this case. He does appear, but not until the following August, after the

chief commissioner McMichael had been sent to the Yukon and re-valued the vessel and enforced the double liability.

Mr. MONTAGUE. He is the only solicitor that appears for these people.

The MINISTER OF MARINE AND FISHERIES. There was no solicitor appearing at all at the transfer of the vessel and its valuation. The hon. gentleman will find out that in ninety-nine cases out of a hundred, a solicitor never appears at the transfer of the vessel. There is only one other point. The hon. member for Pictou charges some fault in my department. What has my department to do with it? This vessel was transferred in the name of a British subject. Mr. Davis reported to the department that he was personally aware that the applicant was a British subject. The applicant made an affidavit that he was a British subject. Nobody suggested to us that he had made a false affidavit. All we had was the report of Mr. Davis that this man was personally known to him as a British subject. What evidence have the department beyond that? The only evidence was a letter written on behalf of the Canadian Development Company by Belcourt and McDougal, also of Dawson City. That letter was sent to the secretary of the Marine Department of the board of trade, London, and forwarded by him to the Secretary of State who forwarded a copy to my department. The only statement in that document, which was before the officers of my department, is this:

With regard to the third boat, the 'John C. Barr,' the register reveals the fact that this vessel, which is also foreign built, was entered at Dawson in the name of one John Steinhoff, of Dawson, miner, on June 3, 1899. The boat formerly belonged to the North American Transportation Company, and by bill of sale, bearing date June 2, 1899, one Ely Weare, a director of that company, transferred to Steinhoff, 'qua' director.

The appraised value of the steamboat is \$10,000, although from its size and general appearance, it must have cost for construction alone at least \$40,000. Our clients believe that the transfer in this case is also a colourable one, and that the beneficial ownership of the boat is still in the North American Company, or in Weare.

Not a scintilla of evidence to show on what they founded their belief. If it was a colourable transaction, as their clients believed, and if the affidavit made by Steinhoff that he was a British subject and entitled to receive transfer, was not in substance true, the law provides that Steinhoff might be proceeded against for perjury. Is the Department of Marine and Fisheries to do that? It is news to me that that is our duty. And there is nothing else in it. Mark you, in reply to that statement the Deputy Minister of Marine and Fisheries wrote to Messrs. Belcourt and McDougal: