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MARINE AND FISHERIES COMMITTEE

Evidence respecting "An Act Respecting The Water Carriage of Goods Act", before Marine and Fisheries Committee, House of Commons.

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OTTAWA

PRINTED BY C. H. PARMELEE, PRINTER TO THE KING'S MOST EXCELLENT MAJESTY

1911

MINUTES OF PROCEEDINGS

HOUSE OF COMMONS.

COMMITTEE ROOM No. 32.

OTTAWA, Thursday, April 27, 1911.

The Select Standing Committee on Marine and Fisheries met at eleven o'clock, a. m., the Chairman, Mr. J. H. Sinclair, presiding, and proceeded to the consideration of complaints in reference to clause 10, chapter 61, 9-10 Edward VII, 'An Act respecting the water carriage of goods.'

The CHAIRMAN.—Gentlemen, the business before the committee this morning is the consideration of clause 10 of the Water Carriage of Goods Act, passed last session. There is a petition which has been referred to the Committee asking for the repeal of this clause which reads as follows:

'10. In case of wood goods, notwithstanding anything in the charter party, bill of lading, or other shipping document, the owner, charterer, master or agent of the ship, or the ship itself, shall only be bound to deliver to the consignee the pieces received from the shipper, and shall not be held responsible for deficiency in measurement; and any words inserted in any charter party, bill of lading, or other shipping document for the purpose of making the owner, charterer, master or agent of the ship, or the ship itself, liable for deficiency in measurement in such case shall be illegal, null and void and of no effect.'

I understand there are some witnesses to be heard this morning, will we call them now?

HON. MR. BRODEUR.—Yes.

THE CHAIRMAN.—We will call Mr. Taylor.

MR. F. R. TAYLOR, St. John.—I am not a witness, I am the solicitor, and if it is in accordance with the practice of this committee I will say a few words as to the principle we are contending for before asking the witnesses to give evidence.

MR. MCKENZIE.—The better practice will be to call the witnesses first and hear the address of counsel afterwards.

The CHAIRMAN.—I think we had better call the witnesses first.

MR. KYTE.—We had considerable evidence given before the Committee last year respecting this Bill, which evidence was printed, and I would like to move that the evidence taken before the Committee this year in reference to clause 10, which is before us, be printed for the information of the members of the House and of this Committee.

Motion adopted.

Mr. J. FRASER GREGORY, called and sworn.

By Mr. Taylor:

Q. You are in the lumber business in the city of St. John?—A. I am a manufacturer of lumber.

Q. About what is the quantity you cut each year?—A. Of logs or deals?

Q. Logs?—A. My cutting of logs is about 30,000,000.

Q. And your mill is at St. John, New Brunswick?—A. In St. John, New Brunswick; it does not manufacture that quantity, 12,000,000 is my manufacturing quantity.

Q. And your manufactured lumber is shipped largely to the United Kingdom?
—A. Yes.

Q. What has been the practice in St. John in the past to your knowledge as to bills of lading given by vessels, that is until this Act was passed?—A. The way to answer that question is that as a manufacturer of lumber we sell to a shipper in St. John, who, in turn, is the shipper. I am not to any great extent a shipper of lumber to the United Kingdom. I only know in a casual way what the practice is.

Q. You know what the practice has been for a good many years?—A. I know what the practice was.

Q. What has the practice been for a number of years?—A. Under a civic by-law a number of surveyors were examined and licensed every year, they are appointed by the city. They make the measurements as between the manufacturer and the shipper, or the purchaser, we are at liberty to put on a surveyor to check, if we feel so inclined, but in general practice the measurement made by the sworn surveyor is accepted as final between the parties.

Q. What is the charge of the surveyor?—A. Five cents a thousand.

Q. That is the usual standard rate?—A. That is the standard rate.

Q. Who pays the surveyor?—A. The shipper pays the surveyor.

Q. These surveyors are appointed under a general statute of the province?—A. Well, it is under the general statute of the province for the survey and exportation of lumber, and it is regulated by the city by-laws.

By Hon. Mr. Brodeur:

Q. What Act is that, can you give us the exact statute?

Mr. TAYLOR.—It is under the Act relating to the surveying and exportation of lumber, Revised Statutes of New Brunswick.

Q. When was that Act passed?—A. I really could not say, but it was re-passed when the statutes were revised.

Mr. TAYLOR.—It has been on the statute book since before confederation, and it has been re-enacted at each revision of the statutes since that date.

Q. You have not the exact date at which it was passed?

Mr. TAYLOR.—The original Act was passed before confederation, but it is in the Consolidated Statutes, the last time it was re-enacted was in 1903.

The CHAIRMAN.—What chapter is it?

Mr. TAYLOR.—Chapter 96.

By Mr. Taylor:

Q. Now, Mr. Gregory, will you please state what effect clause 10, of the existing Act has on the lumber business in New Brunswick?

By Hon. Mr. Brodeur:

Q. Before you go into that would it not be possible to give a general idea of the Act, it would be of assistance if Mr. Gregory could tell us the general nature of the Act.—A. The general nature of that Act that you have in your hand, and the Act that is in force to-day in New Brunswick is that it clearly sets out the different classes of deals and timber, how many knots and how much wane is allowable, the different classes, first, second and third class, and then it provides for the survey between the parties, that the survey must be made by an independent person who has no interest whatever in the lumber that is being surveyed. That is the practice and intention of the Act. Of course attached to it is a scale for logs and the details by which we work out the measurement of the logs and the timber is included.

Q. Is there any classification of the lumber itself?—A. As to grading?

Q. Yes?—A. Yes, the grading of the lumber is included.

By Mr. Taylor:

Q. The Act provides that no lumber shall be exported until surveyed by a sworn surveyor?—A. Yes.

By Hon. Mr. Brodeur:

Q. So that the surveyor does not only determine the superficial quantity in feet, but grades also the qualities?—A. He makes the qualities irrespective of what grading has been done by the manufacturer. He grades the lumber and measures it. Now you asked me as to the effect of this clause—

By Mr. McKenzie:

Q. Before you leave that, that survey is accepted as between yourself and the purchaser and shipper, is it?—A. As final.

Q. Is that also accepted on the other side as conclusive, as to quantity?—A. It has been under the old Act, yes.

By Mr. Crosby:

Q. If it suits them to accept it they do so, but if it does not they do not accept it?—A. I beg pardon, when I say it is accepted on the other side, it is accepted in many instances, yet at the same time, when a cargo is being discharged on the other side a survey is sometimes made, and in this first instance of shipping it would without doubt be made. If there is any loss in the bills of lading the vessels usually pay for it. Have I made myself clear there?

Q. I was not speaking so much on the question of the bill of lading and the loss by the vessel as to the quality of the goods. You have no legal status on your goods over there. If the receiver accepts your survey, well and good, but if he does not accept that as a guarantee of the quality at all, you have no legal status as far as the quality of your survey is concerned?—A. No.

By Hon. Mr. Baird:

Q. How do they find out if there is any loss?—A. On the other side?

Q. How do they find out if there is any loss in shipping unless scale is made?—A. There is no way of finding out any loss unless a survey is made on the other side.

Q. You cannot find out what is the loss?—A. No. I think if I were to outline the whole idea it would probably prevent some questions being asked. In the ordinary course of business, gentlemen, a manufacturer in New Brunswick and Nova Scotia sells to a shipper, or to a purchaser of lumber, more or less, and from time to time vessels come in to carry it away. At the time they come in the deals are sent from the different mills to the ship. Each and every lighter load is measured at the mill, or as it comes off the cars or in lighters beside the steamer, by sworn and competent surveyors, who have no interest whatever in the lumber. The shipper puts different items together. The survey for such lumber as has gone into the vessel is made at each mill and the lighter has to be moved from each mill to the vessel in the harbour, a distance of less than two miles, and goes alongside the vessel. The shipper puts these various specifications or bills of lumber, together and makes one whole of it that he calls his cargo sheet. When the cargo is completed the captain signs a bill of lading for his pieces in quantity, and the vessel goes forward. It is re-tallied or re-surveyed on the other side possibly, if it is a new shipper, and the people are strangers. We know it is re-surveyed at Manchester and some other ports; it is taken in charge by dockmen and must be re-surveyed. If there is a shortage it is chargeable to the steamer. Now the ship has accepted the surveyor's account in St. John, or the surveyor's tally, for the simple reason that in practice they have found this account correct and the mistakes or errors were less than the cost of mak-

ing a survey for themselves which would amount to five cents the thousand. Therefore in practice there has not been very much re-surveyed of the lumber when it was received by the vessel. The vessel has a perfect right to make the survey and should do so. If she neglects to make the survey it is their own loss; the loss certainly should be theirs. In actual practice lumber that is moved from the mills to the vessels in lighters is raised over the side of the vessel in slings. Delivery has been made to the vessel when the lumber has come within the reach of the ship's tackle and lines have been thrown out and the scow has been moored alongside the vessel. Then the vessel's stevedores take charge of it, take it out of the lighters and put it into the hold. If in handling it from the lighter to the vessel pieces are dropped out of the slings and go into the water and are allowed to float away there is certainly a loss, but the loss is the ship's loss and is due to carelessness on the part of the ship in loading and not the fault of the shipper. If the section stands as it is there is a premium put on carelessness: the ship does not take care of the pieces as it should, after being received, and is not as careful as she should be.

By Mr. McKenzie:

Q. If the sticks are on the scow when it comes alongside and the vessel accepts that lumber, and pieces are dropped afterwards, is it not the ship's lookout?—A. It should be the ship's lookout, it has been in the past the ship's lookout.

Q. Must it not be? You say that when you furnish your scow alongside the vessel there are so many sticks on that scow?—A. Yes.

Q. They have to accept that and if they lose a stick after that they must account for it, must they not? The law now is that the ship is only responsible for the number of pieces, that is the law now under section 10.

By Mr. Crosby:

Q. Which they tally on board ship, which goes on board ship.—A. Which goes on board ship as it comes alongside the vessel in lighters.

By Mr. McKenzie:

Q. The moment you furnish your scow and she has ten thousand pieces, you would say: 'Here is a scow with 10,000 pieces'. They accept that, don't they, it is in their possession then?—A. Yes.

Q. But if they lose a stick in getting it on board that is their loss and not yours?—A. It may be their loss, but there are sticks of different sizes and dimensions going aboard, and unfortunately a certain number of pieces may become broken—where you would have an increased number of pieces, or the same number of pieces, but a less quantity. That is the reason we say what the quantity should be. The practice is that in taking a sling on board the vessel there are various sizes. There will be small pieces of scantling and in the same sling a large deal, 11 by 3. In going up the 11 by 3 goes overboard; the heaviest piece has slipped out, and the 2 by 3 is landed and possibly broken. When the sling has come on the deck of the vessel there are two pieces of 2 by 3, because the small piece was broken going on board the vessel while the 11 by 3 piece has gone with the tide. You have got your right number of pieces but you have lost in feet. That is what works out in practice. That bill of pieces is not sufficient, although inadvertently the pieces are increased in the transportation of the lumber.

By Mr. Kyte:

Q. The pieces broken would not be very apparent to the persons taking it—A. the Act does not say it must be pieces of the dimensions that went on board, it simply says 'pieces'.

By Mr. Crosby:

Q. The bill of lading distinctly states that the goods must be delivered in the shape in which they are received.—A. The bill of lading has that condition.

By Mr. McKenzie:

Q. It will help things if we understand you as you go along. What I was asking you a question about was, you stated yourself that delivery consisted in taking charge of the scow by the ship?—A. Yes.

Q. You stated afterwards that the sticks could be broken?—A. The number of pieces could be increased.

Q. But if two broken pieces are substituted for a whole piece delivered to a vessel when you come to deliver up this cargo would it not be apparent, does the bill of lading not only say the number of sticks but the sizes of the different sticks?—A. If you will give us that, that is all we ask for, because the moment you give the sizes of the different sticks then we have the specification, and that is all we ask for.

Q. I think you should have that?—A. I think so too, and now gentlemen, I just want to get away from this, I cannot answer these questions in reference to receiving on the other side as well as some other gentlemen who are here, and I would like to be relieved of that. Now, gentlemen, if you will allow me to talk in my own way for a minute or two that is what I would like to do. The point is with reference to this bill of lading under section 10, that it seeks only to give the number of pieces in the vessel. I have tried to tell the committee as nearly as I can what the practice has been and what happened in the actual working out, and how the lumber is taken from the mills on to the lighter, and from the lighters into the vessels, and I have shown that in that operation the number of pieces were increased. Now we ask that the quantity as well as the number of pieces, or the dimensions of the pieces, which is the same thing, be a part of the bill of lading; that is that the evidence of delivery to the vessel is conclusive at the time delivery is made. If I understand correctly the object of our coming here together it is to facilitate the lumber business of Canada and to make some general rule which will not in any way hamper trade and which will be beneficial to the citizens, and to the shippers of Canada. That is what we are here for. As the old bill of lading stood we had no cause whatever to complain, we were selling our goods to the shippers in St. John on the sworn survey of an independent surveyor and we accepted that, they paid us for them on that survey. The shippers passed that survey on to the vessel and it was final and binding. That bill of lading was final and binding evidence as to the quantity of lumber that had been delivered to the vessel and was a negotiable banking document. Now it is not that and the lumber people of the United Kingdom have absolutely refused to accept this bill of lading; there are gentlemen here who will tell you that on account of the action taken at certain meetings of the Lumber Federation on the other side we were absolutely handicapped in our business, and we cannot sell a stick of lumber to-day without the quality being guaranteed by the shipper or by the manufacturer. It is an unique position we are in, and it is one that is very hard on the trade of Canada. We must have some evidence, at some point, that is conclusive, that the lumber has been delivered to the vessel. We cannot follow that lumber to the ends of the earth. As it is now we are only getting a bill for the pieces, without any specification as to the size of the pieces and the manufacturer has to guarantee to the shipper, and the shipper has to guarantee to the purchaser in Australia, England, South Africa, anywhere and everywhere, all the time, we have to guarantee as against the ship. The shipper has to be responsible for carelessness in the management of the ship, for lumber lost inadvertently, pieces may disappear, but he is responsible. That should not be. There should be some point in Canada at which we can get a final bill of lading, an absolute document as to the amount of lumber we have shipped; we should not be required

to follow it to the ends of the earth, and this government should not ask Canadian citizens to follow lumber to the ends of the earth and be responsible for delivery in Australia, for instance. That is what this section asks us to do. Now I cannot see that it is a reasonable proposition; we want to protect the Canadian shipper, that is what this committee is for, and let us have a clean bill of lading, let us have the ship sign for the number of pieces of certain dimensions when the vessel leaves Canada and not ask the Canadian shipper to take the risk of following that lumber to the ends of the earth.

By Mr. McKenzie:

Q. I would, as a member of the committee, be with you as to the dimensions being given. If a stick is 20 feet long by 6 by 4, there is no difficulty in requiring the vessel to accept the superficial contents of that stick; but I am told that there is no uniform standard of measurement.—A. Oh, there is an absolute standard in sawn lumber.

Q. Yes, in your district?—A. No, in the whole world. A superficial foot of lumber is 12 inches square and one inch thick.

Q. I have been told that if the sawing is not absolutely straight and correct, that it is the smaller parts of the stick that is measured in some parts of the country.—A. We would assume that lumber for export is decently manufactured.

Q. That is the only difficulty that I, as one member of the Committee, could see?—A. I will tell you, if you have a stick 20 feet long, 6 inches by 4 inches, a piece of lumber 6 inches wide and 4 inches thick has 24 square inches in every foot, so that a stick of timber of that dimension, 20 feet long would have 40 superficial feet in the piece. If you have the size and the number of the piece you have the quantity. There is no difficulty in any part of the globe in making up the quantity if you have the sizes and the dimensions.

Q. As one member of the Committee I do think you are entitled to the dimensions of every stick?—A. That is all we ask.

By Mr. Daniel:

Q. You propose to simply place on the ship owner the expense of the re-survey?—A. Yes—if you will allow me I would like to answer that question a little more fully, Mr. Daniel. On whose head should it fall but the shipowner's, he is getting what he is asking, the cost of the re-survey is 5 cents a thousand. In the chartering of vessels by the lumber trade you make an offer to a vessel for a cargo of deals; that vessel is seeking for the best business she can get, grain, cotton, all sorts and kinds of business. The shipowner figures up what offers he gets, he calculates the particular charges on the different classes of cargo offering, he figures up the probable losses he will have to pay on the various cargoes and all that sort of thing. He takes into consideration the conditions of carrying in the lumber trade, and if he accept a lumber charter he accepts it because it is the best charter offering under the conditions that he has had in the past. He knows what is there, that he gives a clean bill of lading and must pay any shortage that there is on the other side. He has allowed for his survey and has accepted it. He has allowed for tallying, making a special survey for himself. If he has not it is because he has decided that is the best charter he can get. However, he has allowed for making a survey of his lumber to put it on board. Then if he neglects to do so why should we be up against it; I cannot see it at all. We should get a clean bill of lading before the stuff leaves Canada. We should, as Canadian citizens, when this lumber leaves this country in a foreign bottom, have a clean receipt for what they take.

By Mr. Crosby:

Q. You are speaking now particularly of goods leaving Canada in foreign bottoms?—A. Yes.

Q. But if the goods leave in a Canadian bottom don't you want to have that Canadian in the same position that you are?—A. If my brother took the goods I would want to have a clean bill of lading.

Q. Suppose a ship receives a cargo from you and makes a tally of the pieces which go on board?—A. Yes.

Q. The tally of the mate of that ship, or the purser, or whoever he may be, agrees with yours and the ship takes that cargo of goods and delivers them in Europe or Africa, or anywhere you like, and they tally the pieces out just the same as when they were taken in, is that not satisfactory to the shipper?—A. If they tally them out.

Q. Suppose when they get to the receiver of the cargo the ship again puts her purser, or the mate, or whoever has charge of the cargo, to tally the cargo and the receiver tallies the cargo also, and they deliver the same number of pieces on the other side as have been taken in; would not that be satisfactory to the shipper?—A. That would be satisfactory if the tallies turned out identical.

By the Chairman:

Q. Are you through, Mr. Gregory?—A. I think I am unless there is anything else to be asked.

By Mr. Kyte:

Q. Does the shipper take any record of the specification himself?—A. The shipper?

Q. Yes.—A. Yes, every item of it the shipper takes.

Q. Which he forwards to the consignee?—A. He does in ordinary course, that is called the cargo sheet.

Q. There is a record of the dimensions kept by the shipper?—A. Yes.

Q. Then if the captain of the vessel delivers the number of pieces, but not the identical pieces, and action is brought against the vessel, those who tallied the number as it went on board and made the specification could, I suppose, furnish that to sustain the action against the shipowner.—A. If section 10 will waive pieces of the same description and kind that went on board, we do not want that section to come out.

By Mr. McKenzie:

Q. As against the Act the words of the charter party or bill of lading cannot prevail?—A. No, there is a penalty, if you insist, in the Act there. If you insist on the Act for pieces of certain dimensions.

By Mr. Fraser:

Q. Are you a shipper of lumber yourself?—A. I am not. I am a manufacturer. I do ship but not any great quantity.

Q. Are you aware of any reason why this clause was put in the Act last year?—A. We have a full knowledge we believe, of how it got into the Act. Our solicitor will deal with that.

Q. Was it intended to protect the ship-owner, do you think?—A. We believe that it was.

Q. You believe that it was intended to protect the ship-owner?—A. I believe so. Although the Bill was brought in as a Bill for the protection of shippers, yet this clause was inserted in the Bill at a very late stage, which was antagonistic to the shippers.

Q. Have you ever had any trouble under the old Act with the lumber that you shipped away?—A. We had no trouble.

Q. Have you had any trouble since this Act came into force?—A. There has been considerable trouble. If you will permit him, the next witness is going to tell you of the trouble experienced.

Q. Can you tell us any troubles of your own knowledge?—A. I know of no troubles of my own knowledge, but the season is only opening, you must bear in mind.

By Mr. Daniel:

Q. Before you sit down can you give us an idea of the amount of loss which is occasioned in a cargo, say of the size of the—A. That is not within my department, Mr. McKean will answer that much better than I could.

Q. I want to find out about the losses from lumber falling overboard.—A. Mr. McKean could answer that much better than I could.

By Mr. Meredith, K.C.:

Q. I understand you wrote this memorandum which has been distributed?—A. I was on of the men interested in writing it. I made the final draft.

Q. If I understand you, Mr. Gregory, you preferred the situation before the Campbell Act was passed, or to give the Act its correct title, the Water Carriage of Goods Act, rather than now?—A. Yes.

Q. In other words you were one of those who would rather not have any Act restraining the liberty of contract between the shipper and the ship-owner.—A. We would like to have made our own contracts.

Q. Then why did you not come up here when the ship-owner was trying to defend himself and representing that he did not want the Campbell Act? Why did you not come up and help the shippers to get the very thing that you are trying to get now?—A. My own personal business prevented me from coming at that time, and I have had to come here to-day at very considerable personal inconvenience to myself owing to the spring driving, and so on.

Q. Is it not a fact that four years before the Campbell Act—we call it the Campbell Act, but strictly speaking, the Water Carriage of Goods Act—was passed in 1910, neither the Allans, nor the Candian Pacific boats, nor any of the large boats, would give any bill of lading, accepting your measurements, they would only give it for pieces? Isn't that true?—A. I cannot say that accurately. Mr. McKean will answer that much better than I can.

Witness discharged.

Mr. GEORGE MCKEAN, called and sworn:

By Mr. Taylor:

Q. You are you in the lumber business in St. John?—A. Yes

Q. How long have you been in the business?—A. I have been in the lumber business since confederation, or two months after, that is since 1867.

Q. How long has the old 'conclusive evidence' clause been in existence?—A. It has been in existence from that time up to September last.

Q. Will you please tell the committee what effect the present section 10, had upon the lumber trade?—A. The effect of the present Act on the lumber trade has been to draw together the buyers of lumber on the other side, they declare they will not buy lumber unless a guarantee is given that the quantity in the bill of lading will be given to them as stated in the Bill.

Q. This is a copy of the resolution which was passed on the other side, I believe, Mr. McKean?—A. Well, of course, it was sent out to me as a copy of the resolution that was passed, I cannot say whether or not it was passed, I wasn't there.

Q. But it was sent to you as a copy?—A. Yes.

(Document filed as follows):

(Copy).

THE INCORPORATED BRISTOL CHANNEL TIMBER IMPORTERS' ASSOCIATION.

BRISTOL, March 28, 1911.

MESSRS. F. & J.

DEAR SIRS,—Your letter of the 13th instant signed jointly by the other spruce agents and brokers, was laid before a meeting of the Executive of this association yesterday afternoon, when the members regretted they were unable to depart from their former decision, and the following resolution was unanimously adopted:

That this meeting having received the reply dated March 13th from the spruce agents in Liverpool and London dealing with the matter of the Canadian Water Carriage of Goods Act, hereby adheres to its former resolution and unanimously resolves not to purchase any spruce cargoes unless a personal guarantee is first given by the shippers' agent to the effect that any shortage in measure not recoverable from the shipowner or underwriter shall be made good.

We are, faithfully yours,

[Signed.] HILLIAR & PITT,

Secretaries.

Q. What effect does this have upon the shippers of lumber?—A. The effect it would have, if that is carried out, would be that the shipper of lumber, when shipping over there would have to follow the vessel in order to see that no lumber was stolen and that the whole cargo was carefully delivered. That is, lumber is taken from vessels in various ways, in scows, I am speaking of delivery on the other side, or lighters rather, they do not call them scows there, it is put into railway carriages and waggons, and the party who ships it from New Brunswick would have to follow it up in order to see that nothing was stolen or given away, and that none of it was lost.

Q. Have you made any estimate of the cost of the checking the lumber on delivery at the port of destination?—A. Well, couldn't get at the cost of it, but in Liverpool where it was done some years ago, and when it was done there the cost was 3 s. 6 d. per standard, that would be 42 cents per thousand.

Q. That would be the cost to the Canadian shipper, 42 cents?—A. To the manufacturer, because it would come back to the manufacturer.

Q. What is the cost of surveying the lumber in Canada by a sworn surveyor?—The cost in St. John is now 5 cents.

Q. And in other places suppose it is the same?—A. Yes.

Q. There is a difference then of 37 cents?—A. Yes, certainly.

Q. Has any trade been built up between Canada and South Africa and Australia?—A. It has.

Q. And the Act applies to those countries as well?—A. It does.

Q. Would it be practical at all to check delivery from the ship in those places?—A. No. I have three cargoes for Australia on hand at present and it would be hardly possible for me in the ordinary course of trade to send a man out to Melbourne to have it checked as it is put over the side of the ship at Melbourne. I have another one in Adelaide, but it is practically impossible to carry out that suggestion, the trade would have to be abandoned if that were necessary.

Q. Has any other country producing wood goods any such legislation as this?—A. None that I am aware of.

Q. You know of no other country in the world?—A. None in the world.

Q. Canada stands alone in this respect?—A. She does.

Q. And Canada, you say, stands at a disadvantage of 42 cents per thousand as compared with other countries engaged in the lumber trade by reason of this Act?—A. Simply because of the difficulties that would arise in carrying this out.

Q. At the present time there is no control over the goods from the time they are delivered to the ship until the time the consignee gets them?—A. No, they are in charge of the captain.

Q. What do you say about the clause as to the number of pieces, what is the effect of that?—A. I would have to go back a little bit in explanation of that. It is the custom of the trade, and the custom of the port, for the ship to tally her cargo in, and it has been the invariable custom of the port since I have been in the trade—when I first entered the trade it was customary for the brokers to send a surveyor to tally the deals against my surveyor. By and by they came to me and said, well, Mr. McKean, you are a shipper of deals that you are buying from Baker, Bond, Cushing and various mills, and it is a waste of money for us to put on a surveyor to tally against your man, you have a good man and we will sign a clean bill of lading, taking your count. That went until this time, virtually, it was merely a saving to the ship of 5 cents per thousand, a charge which the shipowner had a perfect right to pay. It was always the custom with the trade and a great many ships would not accept our count, but put on their own surveyor, and it is the recognized custom of the port. There is no difficulty whatever for any ordinarily intelligent man taking a count of the cargo going on board the ship, because every piece of deal is marked in accordance with the Law, according to its size, 20 feet, by 8 by 3, or whatever the size is so clearly that anybody can read it. It is perfectly true that the officers of the ship could not take these marks, and the officers of a steamer never took them in my experience, and the consequence is they hire sworn surveyors to take it for them. At any rate it is their privilege to hire the sworn surveyor to take the tally for them. All we ask them to do is to put on their sworn surveyor and we will take the count, and the sworn surveyor has the right to say what quantity has been delivered. That has been the custom at St. John and every port in New Brunswick and Nova Scotia, and that has been the practice up to this.

Q. And that sworn surveyor is appointed under the statutes of the province?—A. He is appointed under the statutes of the province, and is examined by the Municipal Council and I have had sworn surveyors tell me that they had a great deal of difficulty in getting through that examination.

Q. There is a penalty provided under the act, is there not?—A. Yes, and they are under bonds for \$200., I think, and they have also to take out a license from year to year, so that they are sworn from year to year.

Q. Would this act in your opinion, Mr. McKean, have any effect upon the care exercised by the ship in checking the losses?—A. Well, the ship, if she signs a clean bill of lading, has to look after what she gets. Now, as a matter of fact nearly every steamer that goes from St. John, or from any other port on this side when she gets over to the other side has to pay claims for loss. The steamer invariably pays the claim, every ship since I have been in the trade always pays the claim because there are a certain number of deals that are stolen, lost, or broken in one way and another. Steamship owners who charter these steamers know these claims arise and they pay these claims because they are competing for business against other ports. And when the owner takes that business he does so knowing that there will be a claim, and the ordinary steamship owner is well posted as to the amount the claim will be under ordinary circumstances. Under extraordinary circumstances if the ship is careless in taking on her cargo, or if she loads it very rapidly and dumps the stuff overboard she has to pay for it.

Q. You say that is included in the freight charge?—A. It is invariably.

Q. Suppose the cargo is lost overboard through stress of weather, the ship usually notes a protest on the other side.—A. If the ship loses any cargo we do not look to it at all, but to our insurance. She has enough to do to make her protest.

Q. The effect of this legislation then would be to make a ship less careful of the cargo and less likely to note a protest in case of small loss.—A. I do not know what the effect of the legislation will be, you cannot tell, unless you follow it until you deliver it on the other side. It is tying up the trade of the province and is going to cost New Brunswick not less than \$120,000, and will cost Nova Scotia not less than half that amount.

Q. It will cost the Province of New Brunswick \$120,000 and the Province of Nova Scotia not less than \$60,000 a year.—A. A year.

Q. Is there anything else you would like to say on this matter? If there is the committee will hear you.—A. Well, I don't know, unless some gentleman has a question to ask me.

By Mr. Daniel:

Q. Can you tell me what proportion of loss occurs in loading a ship, say a steamer of 2,000 tons carrying a cargo of 1,500 tons of lumber—have you any idea of how much would be lost in the loading by breakage and loss of deals out of the slings, and that sort of thing?—A. I have not, Mr. Daniel, but the underwriters insure for small loss, a certain quantity. Now, I went down, just after this arrangement, to look at the *Indrani*, one of the Donaldson line steamers, loading in St. John. She was dropping deals overboard more or less and there was a quantity of them in the water that had dropped out of the sling. I saw deals drop out of the slings whilst I was there and I was not there more than five minutes. In case you load a steamer night and day you will lose a great deal more. It depends greatly on the stevedore whether he piles his deals well or not, but every steamer and every sailing ship loses more or less.

Q. There is no attempt made to recover these deals?—A. Well, any ordinary steamship owner knows that there will be a loss and he calculates upon it when he makes his charges. When he makes his charges it is a question with him what he can get from New York, or from Savannah, or from Mobile, and the calculations made for loss. Vessels loading down at Mobile lose frequently pieces of wood. Now another thing I was just going to say—

Q. That loss falls upon the manufacturer of the lumber?—A. Another point I wish to speak about is this. It was raised a few minutes ago by one of the gentlemen present, referring to the liners requiring from us a bill of lading in which they will acknowledge nothing but the number of pieces. When a liner loads a cargo such as the *Indrani* is loading now, she signs a bill of lading in the ordinary form that the ordinary tramp steamer signs and that every other steamer signs. When they come and say: 'We want 75 standards for filling up stuff, and will take it from you at 25 shillings a standard,' we may accept that and give her the number of pieces and take our own responsibility as to whether she delivers them right or not. The liners, as well as the others where they go out to load the whole cargo, invariably do that. Another thing, our friends in Europe say: 'Is it right for the Canadian government to make a law that we in England cannot charter a steamer and go out to Canada and have the 'conclusive evidence' clause in our bill of lading,' because the Canada Water Carriage Act stifles the conclusive evidence clause.

By Mr. Taylor:

Q. Did you know anything about this section 10 until the Act had been passed?—A. I never heard of it in my life and never thought that people would have passed such an Act, because it seems a monstrous thing to me that I cannot make a bargain with the steamer when I am wholly and solely loading on her to carry anything, except contraband of war, under any terms and conditions that the steamship owner is willing to make with me.

Q. The lumber trade generally did not know anything about that amendment?—A. As far as the lumber trade is concerned I do not believe there is a lumber shipper in New Brunswick that knew anything of it.

By Mr. Meredith, K.C.:

Q. You must have known that a Bill was being brought in by the Hon. Mr. Campbell, because there were any number of gentlemen up from the lower provinces then, the sole effect of which was to do away with the right of a ship owner to contract with a merchant?—A. The truth of the matter is, I did not, and I do not think the shippers generally did. Mr. Porter was up here. He represented William Thompson & Company, and William Thompson & Company represent a very large number of liners. I do not know who else there was but I do not think there was anybody representing the lumber trade.

Q. But in 1908 when the matter was before the Senate and when the ship owners were trying to defend what you think is a good thing now—the liberty of contracting with the shipper—and meetings went on lasting for weeks, the shippers were fully aware of it?—A. So far as my knowledge goes, it was not known in the Maritime Provinces, but we are behind there as to what is going on in this country.

Q. I should not have thought it, but at all events, if I understand you rightly, you would prefer to have no bill at all?—A. I have no objection to the Canada Carrier's Act at all excepting for this Clause 10. My impression is that a small shipper—where a general cargo carrying ship is put on the berth and where she is ready to put in any bill of lading she likes—ought to be protected. But it is quite a different business for me to go and make a contract with the ship owner who is as capable of taking care of myself, and he makes a bargain with me, and I do not think the government can justly or fairly interfere with that bargain. That is what we are asking.

Q. Did you know as a matter of fact that under the Water Carriage of Goods Act a ship owner is at liberty to make a contract with you?—A. To tell you the truth, I don't know that if such is the case.

Q. I understand you to say that before this Act went into force, which was in September, 1910, you were satisfied with the way things were working?—A. Yes, we had no complaints. I never heard of a complaint in my life in all the 44 years that I was in trade against the Conclusive Evidence clause.

Q. Are you aware that for four years before September, 1910, none of the large steamers that went to St. John ever accepted the shipper's measurement?—A. I am aware of exactly what I have explained to you. I am aware that the large shippers have chartered me their steamer with the distinct understanding that it was not a have chartered me their stamer with the distinct understanding that it was not a liner's bill of lading that was to be accepted, and we would not have taken her under any other circumstances; and nearly every one of the other lines have done the same thing. Now the *Indrani* that I spoke of just now belongs to the Donaldson line, and she is chartered under the old form of bill of lading, not the liner's bill of lading. She has to sign the old bill of lading and not the liner's bill of lading, and the liners themselves have merely accepted small quantities of deals as filling up stuff, and it has been furnished by the shippers in St. John for the reason that they accepted a very low freight.

Q. I just want to make that clear, because I hope we will be allowed to introduce some evidence along this line, but would you be surprised to know that the large lines, such as the Canadian Pacific railway and the Allen Line, and the other large lines that went to St. John, for four years before the present act went into force, refused to give any bill of lading that accepted the measurements of the shipper, so far as lumber is concerned?—A. Do I understand that all our large lines refused to give such a bill.

Q. As one that I know more about especially than the others, take the Canadian Pacific railway?—A. Well, the Canadian Pacific railway have never loaded a cargo of deals, they have only loaded a very small portion of their cargo in deals.

Q. I am asking you whether for such portion as they took they gave such a bill?—A. I admit that I have during the last four years furnished the Canadian Pacific railway with more lumber than anybody else.

Q. Did you ever get your measurement accepted?—A. My measurement is invariably accepted, but it is accepted with the clauses in this bill of lading which to some extent obliterated the arrangement, and the Canadian Pacific railway do what the ordinary tramp steamer does not, keep a man night and day in a boat, and every precaution possible is taken not to lose a deal, and it is done on the distinct understanding that we accept their liner bill of lading.

Q. In other words when you have to do with the large liners they will not and do not accept your measurement?—A. You are entirely mistaken there.

Q. What is the difference then that you make between the position of the liners, the large boats of the Canadian Pacific railway, the Allan and the Dempsters, boats of that kind, and the other boats? What difference did you make between them during the four years before this bill came into force?—A. No, we loaded one of the Elder Dempster boats last year, I think, and she signed a bill of lading with the conclusive evidence clause in it, because we furnished her whole cargo.

Q. Which boat was that, because we will have to look it up?—A. I do not know that I can give you the name of the boat now, but I think I could get it by telegram from St. John.

Q. Will you get us that information, please?—A. Well, the Donaldson line is the same and where she is taking cargo now, in all these boats it is with that distinct understanding. If they say, We want a thousand of deals and we take them at Pictou, Shediac or anywhere else, a full cargo of deals, it was invariably done not on the steamer's bill of lading, but a clean bill of lading, and I guarantee to furnish you bills of lading showing that if necessary.

Q. Will you do that?—A. Well, I will have to telegraph to St. John.

Q. Bills of lading from large liners where the shipper's measurement has been accepted in the bills of lading?—A. I think so.

By Mr. Carvell:

Q. Pardon my asking a question at this point as I am not a member of this committee, but I think a little explanation will explain things. Counsel uses the word 'large liners,' and I think the witness in speaking of the bills of lading means a vessel, large or small, which takes an entire cargo of deals, whereas the large liners usually only take a portion of a cargo of deals in order to fill up?—A. That is the case.

Q. And the learned counsel is talking about a case where you furnish a small portion of the cargo for the Canadian Pacific railway liner, or whatever liner it might be?—A. And a very small portion of it.

By Mr. Meredith, K.C.:

Q. Then to clear that up where you only ship a certain portion of the cargo of one of these steamers you do not exact that?—A. We do not exact it, it is understood when we accept their offer.

Q. You do not exact that your measurement be accepted, you take the number of pieces?—A. The measurement is also put in, but it would be, I think, that under the clauses which are innumerable and unaccountable in the steamer's bill of lading she would probably not be responsible.

Q. Now, is it not a fact, do you not remember perfectly well, as in every one of these instances a clause is put in, shipper's measurement?—A. It is very possible that it is put in.

Q. Now you have had some claims put in from the other side since this bill has been in force, haven't you?—A. I couldn't say so.

Q. I mean there must be some, you must have some complaint against the bill; you say the thing is not workable. Now have you had to pay any claims for shortage on the other side in consequence of this bill, since the bill came into force in September, 1910, have you paid anything?—A. We haven't virtually made any shipments, no complete shipments, and as far as I know, except one from Halifax the other day.

Q. Then so far you have suffered nothing?—A. We have suffered nothing except we can't sell the stuff unless we give a guarantee, and we are not prepared to give the guarantee.

Q. Who has asked you to give the guarantee?—A. The Bristol Channel Importers Association and the Timber Trades Federation of the North of England have absolutely and positively said they will not accept anything else than that, they have got together and come to an understanding, and I have a cable from England, a couple of days ago bearing out my statement on that score, which if you do not object I will read.

The CHAIRMAN.—Read it, please?—A. The cable reads: 'Water Act—Bristol Channel buyers insist on guaranteeing output quantity otherwise will not buy very important repeal clause 10.'

By the Chairman:

Q. Who signs that?—A. That is a telegram from Price & Pearce, of London, one of the largest brokers in the timber trade in Great Britain. This is forwarded by H. W. Lightburne & Co., who represent John E. Moore, one of the very large shippers, and it is as follows:—

From PRICE, WALKER & Co., LTD.,
GLOUCESTER.

To Messrs. LIGHTBURNE & Co.,
LIVERPOOL.

30th March, 1911.

DEAR SIRS,—Cargo per SS. *Hersilia* at Sheet harbour.

The provision which you suggest will not meet the requirements of the Bristol Channel importers:

We will not contract without the clause which has been adopted by our association being embodied in the contract itself.

Yours faithfully,

For PRICE, WALKER & CO., LTD.
(Sgd.) S. G. NARNEY.

Q. Who are they?—A. They are large people in the Bristol Channel, the very largest, the wealthiest at any rate.

By Mr. Meredith, K.C.:

Q. You are not a manufacturer, are you?—A. I am not—well I am a manufacturer but in a very small way.

Q. Your principal occupation is what?—A. I buy the deals and ship them.

Q. And you live in St. John?—A. And I live in St. John and we ship about a million and a quarter dollars worth each year.

Q. From New Brunswick and Nova Scotia?—A. Yes, we ship from every port.

Q. And you get the measurements, when you buy, from the manufacturer?—A. When I buy from the manufacturer I put a surveyor on to tally the measurement carefully.

Q. So they agree with you as to the surveyor, is that it?—A. I always put on my own surveyor, if the manufacturer puts on a surveyor against mine, he is welcome to do so, but I always put on my own.

Q. Well then, I just want to get this fact out before the committee; where, for instance, do you principally buy from, what ports?—A. We buy from all ports and places. We start at Campbellton usually and we buy from there to Yarmouth, Nova Scotia and round to Grindstone island and the Bay of Fundy.

Q. These deals which you buy are probably carried by rail for a certain distance?—A. In some cases they are.

Q. Almost generally speaking?—A. Not generally speaking, as a rule. What we ship from Halifax is carried by rail.

Q. A certain proportion is carried by rail?—A. Well, a considerable proportion—at least a portion. I could not say how much.

Q. A certain proportion, at all events, is carried by rail?—A. A certain proportion.

Q. They are measured before they are put on the cars, I take it for granted.

Q. Then they are carried by railway a certain distance, if they go by railway at all?—A. Yes.

Q. Then I presume in the majority of instances they are put on lighters or scows to go into the ship?—A. In the case of Halifax, Nova Scotia, they are usually put alongside the steamer.

Q. They put the cars alongside in St. John?—A. In St. John, New Brunswick the cars of deals are usually put alongside the vessels, the steamers.

Q. In numerous instances is it not the case that these deals are put on scows and lighters, and from the scows and lighters are put into the ship?—A. Some of course, but we frequently bring down deals on the cars and take the deals off the car.

Q. Isn't it a fact though—I am only speaking about your own particular way of doing business—that on the St. Lawrence, the lower St. Lawrence especially—because this Act applies to the St. Lawrence as well as to the lower provinces—a great deal of this wood which is shipped to the vessel goes out on lighters before it is put into the ship?—A. I do not know a circumstance about it because I do not ship from the St. Lawrence.

Q. But you know pretty well?—A. I know New Brunswick and Nova Scotia, but I know nothing about the St. Lawrence.

Q. Is it true that a considerable part of the wood shipped to the other side is carried, after it is measured for you, on trains or put into lighters before it gets into the ship—a good portion of it?—A. You mean to say that as Mr. Crosby suggested in the ordinary course at Halifax—

Q. I did not hear Mr. Crosby's suggestion.—A. Excuse me a moment, I will just explain it to you. I will go on and make you understand it if you can understand anything.

Q. I am trying to get you to explain.—A. It is customary in Halifax and Halifax alone to load deals on the cars and send them to the vessel—

Q. You have said that already, I understand that.—A. Very well, and then in some cases they have tallied on the cars and the deals were sent to the ship with an understanding, say with Furniss or some of these people that they will accept the tally on the cars. Now in no other port is that done. In all the other ports the stuff is carried alongside the ship, excepting in the port of St. John, and in the port of St. John it is tallied at the mills with the consent of the brokers, if they wish to and agree that they will sign the bill of lading. If not, and they put on a surveyor, it is loaded and tallied alongside the vessel. But the custom of the trade—the usual custom of the trade—which is adopted in all the ports with this exception, is that the stuff is tallied alongside the ship.

Q. What you mean by tallied is measured?—A. When I say tallied it is—

Q. Wait a minute, sir, I will ask you the question.—A. According to the rule of the trade, every deal has got its size marked on it.

Q. Yes?—A. And these deals are all laid up with the size mark on them and when they are loaded, either on the cars or in the lighters, or whatever they are brought in, it is the invariable custom for them to have that mark turned up. Immediately the surveyor sees it he marks it down and the mark is there for him to read.

Q. Just to get back to where we started, because I regret we have to get back to it: in New Brunswick and Nova Scotia a great deal of the wood that is shipped to Great Britain is carried in trains or goes into lighters before it goes into the ship, isn't it the case that a good deal of it goes one way or the other?—A. I will give you an

illustration. At Pugwash a large proportion of deals that are shipped from there go by train to Pugwash and at Pugwash they are tallied alongside of the steamer as they are putting them into the slings. Now that is just at one point.

Q. I don' know anything about Pugwash?—A. I will give you each of them because I will not answer a question which is sweeping and which is not true, or does not convey a true impression. At Grinstone island where they load five or six vessels, it is the usual custom to send them alongside in lighters and they are there tallied alongside the ship. At Baie Verte they are sent alongside in lighters, and tallied alongside the ship. At Buctouche they are tallied alongside the ship. At Pictou they are sent by rail and tallied alongside the ship.

Q. Who are they tallied for when they get alongside the ship?—A. I mean if I buy them or any of the other shippers buy them. Where I buy them they are tallied for me.

Q. For you?—A. They are bought in small quantities from a man that has 100,000 or 500,000, and he loads them on the railway car and he sends them to Pugwash when he is ordered, and when they arrive at Pugwash the surveyor goes on and takes account of the quantity received.

Q. Now what you want, as I understand, is to have the shipowner responsible for every foot of timber that goes on to his ship; isn't that it?—A. We want the shipowner responsible for every foot we put alongside of it.

Q. And you are not satisfied with getting a guarantee that they will land the pieces that you give him, you want the measurement besides?—A. As a matter of fact I know they won't do it because they won't take them out of the port.

Q. At all events you want to get practically a guarantee that the number of pieces that go on board the ship will be delivered at the other end?—A. Exactly, and if they don't deliver them—

Q. How long do you think it would take a steamship—apart from counting the pieces—to take the measurements from your lighters or your scows alongside the ship, how long do you think the ship would be delayed?—A. She would not be delayed a minute.

Q. She would not?—A. The Canadian Pacific Railway liners and other liners invariably will tally the deals alongside of them; put on a man and give it to them as fast as they require it in the majority of cases.

Q. I don't suppose you mean a minute?—A. It will not delay her a minute. You could put on a surveyor and give him an assistant if you want to work that fast. Under the ordinary arrangement, working one sling and working it solely, why they will take the amount as fast as the ship requires them, and if you want dispatch, this man will have to be swift and go and call out the sizes of the pieces, and the surveyor merely takes his book and notes it down.

By the Chairman:

Q. Would you expect to put the rule to each piece?—A. Certainly not.

Q. That is where the point comes in. Now suppose the piece is marked fifteen feet and it is not fifteen feet?—A. That is covered under the ordinary charter party, I will show you if you will give me one of them. The quantity has to be taken at the intake measurement at the port of lading but—

Q. You can easily count the pieces?—A. No, but here it is: the brokers are not very innocent fellows and the steamship people are not very innocent fellows, and they protect themselves against claims for anything of that sort, and it is here (reads):—

Freight payable on measurement of quantity delivered as ascertained at the port of discharge.

Q. What are you quoting from, the bill of lading?—A. No, I am speaking of the charter party.

Q. It is the bill of lading we are discussing.—A. Well, the bill of lading gives the charter party with all other conditions and exceptions; whatever you have got in the charter party is in the bill of lading.

By Mr. Crosby:

Q. Then the bill of lading over-rides the charter party?—A. It cannot over-ride the charter party.

Q. That is what you are here trying to get fixed?—A. No, I tell you what—

Mr. CROSBY.—Then, Mr. Chairman, all I have got to say is that my friend Mr. McKean is wasting his time, because if this law does not call for a bill of lading with certain conditions, then you can make a charter party just as you please; but the Act distinctly states, no matter what may be contained in the charter party or any agreement, that the ship shall not be held responsible except for the pieces that are tallied on board. It that is not the case you are wasting your time?—A. Wait a moment, I was dealing with what the chairman has spoken about. Supposing a piece of deal is marked 15, 9, 3, and it is, as a matter of fact only 15 ft. x 8 $\frac{1}{2}$ -in. x 2 $\frac{3}{4}$ -in, the ship would be entitled to claim for 15 x 9 x 3, but she would not be responsible because the deal is thin.

Q. How would she ascertain that?—A. She is not required to do so, because by her charter party she is entitled to be paid for it on the intake.

By the Chairman:

Q. But she caught at the port of delivery, not of intake, if it is correctly marked, it is all right?—A. It is invariably correctly marked, it might be a little thin, or a little thick.

By Mr. Macdonald:

Q. Supposing when you go to the other side with the deals and you find that there was a mistake in the measurement marked on that deal would the shipowner be responsible for that mistake?—A. He would not.

Q. He would not?—A. Oh, no.

Q. Why wouldn't they?—A. I am taking it now supposing the deal were incorrectly marked in this way, supposing it is $\frac{1}{8}$ of an inch thin, supposing it was only 2 $\frac{7}{8}$ when it was marked 3 inches the ship would not be responsible on the other side under the terms of the charter party.

Q. But the man to whom delivery was made would call upon the ship for the delivery according to the bill of lading?—A. It is not often done, in my experience of 44 years where deals have turned out thin the ship has not been held responsible.

Q. Or where they are turned out short?—A. They are very seldom turned out short.

Q. But they might be?—A. Well the ship would be entitled to a re-survey, to have the timber measured and see whether it is short or not. But it has never in my experience turned out that way.

By Mr. Carvell:

Q. Supposing when the cargo gets to the other side the deals turned out to be thin?—A. Yes.

Q. Has the consignee any recourse and what?—A. The rule of the trade, and the custom, is that he puts a claim for the deals that are thin, he makes a claim upon the shipper of the cargo that the deals are thin.

Q. It comes back to the shipper does it?—A. Yes, it does, and it is settled by arbitration.

Q. How is that?—A. There is a clause in your contract by which such cases are settled by arbitration, if there is any cause of complaint as to the deals being narrow or thin, it invariably comes back to the shipper.

Q. He demands a re-survey?—A. It is left to the arbitration of three men, and it is left to them what will be allowed. I can show you the provision in the contract.

Q. The ship has never to pay a loss of that character?—A. The ship is never called upon to pay a loss of that character and I know it from years of experience.

Witness discharged.

Mr. HUGH MCKAY, St. John, N.B., called and sworn.

By Mr. Taylor:

Q. You are with W. M. McKay & Company, lumber shippers?—A. Yes.

Q. What quantity of lumber does your firm ship in the course of the year?—A. Last year we shipped 125,000,000, this year we will ship about the same quantity, but take the average for twenty years we have shipped over 200,000,000 feet per year.

Q. What effect does this Water Carriage of Goods Act, section 10, have upon your business?—A. The question was asked a while ago what effect it has had on the shipments that have been made. We shipped a couple of cargoes last fall on which there was some loss, in one case part of the cargo was lost alongside, and in the other the vessel lost a part of the deck load on the way over; in each case the loss was not ours, so we never heard anything more about it. With regard to the effect of the Act upon our business in selling the stuff, as it has been explained before, we cannot sell unless we give a guarantee that delivery will be made on the other side according to the quantities shipped as shown by the statement of the sworn surveyor on this side.

Q. You heard Mr. McKean's evidence as to the additional expenses which will be incurred, what is your view on that subject?—A. I could not express any opinion because my experience on the other side is not sufficient to enable me to say what it would cost for a re-survey over there. Mr. McKean is in a position to say better than anybody else what it will be.

By the Chairman:

Q. Excuse me a moment I want to understand that. What Mr. McKean refers to as a re-survey on the other side is an actual measurement of the lumber by rule, is it not?—A. I presume so.

Q. It would not be a tally, counting the figures on the planks?—A. No, they measure the stuff. When the lumber is imported there the importer takes it from the ship to his yard where it is piled in all sorts of forms as quickly as possible and measured afterward.

Q. And Mr. McKean's measurement is not an actual measurement, but simply a record of the measurement already made and marked upon the timber; I am speaking of the measurements on this side?—A. I couldn't say.

Q. Can you take a rule and measure every plank as it goes on the vessel for five cents a thousand?—A. No, it would be impossible to get the steamer to load under those conditions.

Q. That is not workable at all?—A. Oh no.

By Mr. Taylor:

Q. What action has been taken by the purchasers of lumber on the other side in consequence of the adoption of this Water Carriage of Goods Act?—A. They have refused, as I said a minute or two ago, to buy unless they are given a guarantee that they will get the quantity that our specifications call for.

Q. You cannot sell any goods at all without that guarantee on the other side?—A. No, we have sold half a dozen cargoes under those conditions already, somebody has to take the stuff, we can't pile it up on this side, it has to go over there so we have to sell it the best way we can.

Q. Do you know the names of the firms that have insisted upon these guarantees?
—A. We have sold a cargo to Malcolm & Dickson, of Cardiff & London, and have sold to the Jones firm in the Bristol Channel. All the firms that buy deals regularly make the demand.

Q. The practice has always been in the past, until this act was passed, to have the conclusive evidence clause in the bill of lading, has it?—A. Always.

Q. And except where the large liners have taken a small portion of their cargo in order to make up their full cargo?—A. There is never a charter party for the liner, it is only a liner bill of lading in that case.

Q. Did you ever ship any goods without having the conclusive evidence clause in the bill of lading until this act came into force?—A. We never did.

Q. Was this guarantee ever asked for before the passage of this Act?—A. Never to my knowledge in five or six years experience.

By Mr. Meredith, K.C.:

Q. Do you think it will be practicable to measure the wood on scows alongside of the ship, for instance before it went into the ship, to get it the exact quantity?—A. That wood do you mean.

Q. Yes.—A. It would be practicable but you could not possibly get a steamer to load under those conditions; it would be too slow, it would take a year to load a cargo.

By Mr. Loggie:

Q. But, Mr. Mackay, there is no liability except as to marks. That is to say if the tally is marked 15, 9 x 3—?—A. I may say in regard to those marks that our surveyors are all experienced men. Most of them have worked in mills before they started in to get their license as surveyors, and if there is a deal marked 15, when it is only 14 feet, those men will soon spot it. Our men have instructions that everything is to be full width and if it is not full width it comes back on us. A man of experience will not take a 2½-in. deal for a 3-in., it is soon spotted and our surveyor marks it down.

By Mr. Meredith, K.C.:

Q. Measurements would have to be done in the daytime?—A. Yes.

Q. And the days are very short in the autumn and the ship would be detained a tremendous time in making these measurements?—A. Yes, that is right.

By the Chairman:

Q. Mr. McKean spoke of the large loss of the shippers, referring to shortage?—A. The cost on the other side.

Q. According to him the loss to New Brunswick is a very large amount of money?—A. If we have to follow it out on the other side.

Q. Is the shortage a large item?—A. Well, as far as we are concerned, we would never hear of the shortage at all. Last summer I think there were just two vessels we heard of. One was the *Pontiac* and the other the *Carisbrooke*. In the case of the *Pontiac*, Mr. Knight, our broker at St. John, checked the quantity twice and could not find anything wrong. I believe, however, the ship had to pay a small sum of forty or fifty pounds. The *Pontiac* came in for this loss owing to odd pieces being dropped off in loading. Another thing: half of the deals landed from the Maritime Provinces are landed in foreign bottoms.

Q. Anything that dropped off in course of loading would be a claim against the insurance company?—A. It has been.

Q. The captain does not notice anything dropping off but it comes short on the other side and he cannot make a claim?—A. That is the captain's fault, not the shipper's. The surveyor is the servant of the ship, not of the shipper.

Q. He is nominally the servant of the shipper?—A. He is the servant of the ship, the ship employs him.

By Mr. Carvell:

Q. Who pays the surveyor?—A. The ship. The surveyor is responsible for the survey to the ship. Our responsibility ceases when the stuff is within reach of the ship's tackle.

By Mr. Crosby:

Q. I want to ask you if you have heard it intimated that one of the great inconveniences in connection with the wood carrying trade, one of the greatest disadvantages that the seller of the cargo would have would be in going to the bank to get money for the bill of lading. He takes it into the bank and under this law he finds that the bank is suspicious and does not want to give him money. Will you give us some information on that?—A. I have not much information on the subject, I have simply been informed by our solicitor's that might be the case.

Q. What is your practice?—A. Our practice is altogether different. We send our bills of lading forward to the other side and draw on the brokers—practically one firm on the other side. But I can see there would be great disadvantage to small shippers with poor credit.

Q. Poor credit?—A. You take perhaps some people who ship two or three million deals and are not known to the bankers. They might refuse absolutely to accept their documents, and where would the shipper be?

Q. Then there is a disadvantage?—A. I should say a decided disadvantage.

By the Chairman:

Q. Do you know of any case of that kind?—A. Well, the season is just opening.

By Mr. Carvell:

Q. Have you been notified by any bankers or solicitors of trouble which arose?—A. No, I have not been notified by any bankers, but our solicitors have told us that difficulties under the Act as now framed will arise.

By Mr. McKenzie:

Q. Do you propose any change in section 10? Or do you wish to annihilate it altogether?—A. We wish it to be struck out absolutely.

By Mr. Todd:

Q. When you land a scow of lumber alongside the ship, that lumber is delivered to the ship?—A. As soon as the ship puts her lines to it.

Q. If they put a surveyor on he would have to survey from the scow?—A. Yes.

Q. Anything lost from the sling is the ship's loss?—A. The ship's loss.

Witness discharged.

Mr. W. D. SNOWBALL, Chatham, N.B., called and sworn.

The WITNESS.—I would prefer to tell my story in the same way as Mr. Gregory, if you would have no objection.

The CHAIRMAN.—Certainly.

The WITNESS.—I am not experienced in the witness box and probably I can give you the information by just telling you the methods. We are not only manufacturers of lumber but we are shippers also, so that probably I occupy a little different position from what Mr. Gregory, Mr. McKean, or Mr. McKay do in this matter. We manufacture in Chatham, New Brunswick, from twenty to thirty millions, all of which we ship ourselves, having sold it on the other side. I cross the water and make our own sales through our agents and so am conversant with the methods that are employed on the other side. The difficulty that I have found—I have just returned from

England—is in regard to this clause 10. The British importers—and I think it is well to bring out this point—contend that they have asked their solicitors, that is the solicitor for the British Channel, and also the Liverpool importers, regarding it and this gentleman informed us that according to clause 10 the ship is not liable even for the number of pieces, positively, not liable for the superficial contents. You will notice if you read clause 10, which is ingeniously written, that the vessel is liable in the first place under the Act, for the number of pieces being established *prima facie*. Now, under the old Act it was conclusive evidence against the vessel. If you read this clause, which they directed my attention to, it says, ‘bound only to deliver to the consignee the pieces received from the shipper.’ They contend that that does not say the pieces according to the bill of lading, but if the captain goes in and makes a declaration ‘I have delivered all on board,’ when the receiver claims there is a shortage, that the vessel is not liable for this shortage. Therefore if the Captains and shipowners become imbued with that idea it will make the Captains very much more careless than they have been in the past and they will not feel the same responsibility resting on their shoulders for the receiving of the cargo at the port of lading as well as the delivery of it at the port of discharge. Now we are shippers at Chatham, as well as manufacturers, and the vessel comes directly alongside our wharf and we ship from the wharf. The captain employs a stevedore who takes the deals from the wharf where they are delivered, or from the berth at one of our other mills situated in the river. The tallying is done at the side of the vessel as the lumber is brought alongside, and it is done by two men, one calling the sizes and the other man, who is the surveyor, taking it down and watching the pieces to see that they are according to the sizes and the marks. When it comes alongside the vessel in our barge we invariably tally alongside the vessel. The lumber is sent up in slings to the vessel and in innumerable cases pieces slip out of the slings, and that is one of the difficulties we, as shippers, have to contend with, to watch the captains and the stevedores and insist that these pieces which slip out are picked up and put on board. In spite of all our endeavours carelessness does occur in handling the lumber. These deals are marked by thoroughly competent surveyors, who put on each piece the figures showing its dimensions and who classify the deals, first, second, third or fourth, according to the methods at the different mills.

Q. Are those marks put on by iron or chalk?—A. Red or blue chalk, and there is a distinctive mark put on by most of the mills to show which mill they come from. The tally men at our mill goes to the pile from which the deals are sent to the ship, which is not far from the side of the vessel, probably not more than 150 feet; it is within easy reach, and he can watch the deals from the pile to the slings. If the content is accurately marked, and it will be accurate with respect to deals coming from the gang-saw mills, there may be some difficulty in regard to the rotary mills arising, as has been suggested by deficiency in the sawing, but that the vessels are not liable for, as has been explained, because when the cargo gets to the other side if there is any claim because too much wane has been left, or the deals are thin, that is a matter which is left entirely to arbitration, and it comes back to the manufacturer, the arbitrators deciding what allowance is to be made for defective manufacture. The vessel is paid absolutely on the contents as marked on the deals, as far as that is concerned. When a cargo is received at Manchester it is taken hold of by the Manchester Dock Company and they pile the deals up as quickly as they can be taken out, they are stacked up alongside, and when removed to the different consignees’ piling grounds, if they are consigned to different consignees, some will be placed on barges, if necessary to take them to some other place, or some may be placed on trucks or wagons to be taken to the place where the individual importer keeps his lumber, and the measurements may not be made until some time after the deals are taken from the vessel. Now you can easily see there is a great chance for deficiencies to arise in that way, where the cargo is dumped out on the dock, and where some may be carried away or mislaid, where a wagon load of deals may be taken away by mistake, as I know has

been done on the other side. Our methods are more accurate on this side. All that we as shippers ask is that that vessel will give us such a document as will hold them absolutely liable for not only the number of pieces, but such a document as will hold them responsible for the measurement of those pieces according to the marks on the deals at the time they received them on the vessel. That can be determined more easily at the port of loading than at the port of discharge, for the reason I have already mentioned in reference to Manchester.

By Mr. McKenzie:

Q. Where does the point arise where you discharge the ship from any liability?

—A. The ship at Manchester has to wait, as far as settlement is concerned, until those deals are tallied on that side. Settlements in Manchester are very slow, and as a consequence sometimes the vessel will have to wait for six months before a settlement is arrived at, and we as shippers are affected adversely in the same way.

Q. Do you want the owners of the ships to be responsible for all the damages of loss on that side that you have spoken of?—A. The owners of the ships have their agents on that side who can look after that, and why should we as Canadian shippers be required to follow those goods across and be held responsible for the difficulties which may arise on that side when the ship should give us some sort of absolute receipt for what we give them.

Q. That is not my difficulty. If the ship can immediately deliver that on the other side and be then relieved of responsibility it would be different, but you want to hold her for six months?—A. I admit that as far as Manchester is concerned there is that difficulty which both the shippers and the shipowners are up against. Now take the Bristol Channel trade, a buyer buys a cargo for there and takes it up to Gloucester or Sharpness. There delivery is not done as rapidly as in Manchester. There is a clause in the charter party which says in connection with that trade that delivery shall not exceed 120 standards a day, and in that case a vessel is able absolutely to tally every deal as it goes over the side in order to see that it is landed in proper condition on the wharf.

By Mr. Carvell:

Q. If the vessel wanted to take the precaution to tally at Manchester could it not do so?—A. What vessels are after is despatch, that is the desire of the owners, they want to get away from there as quickly as possible. If they wanted to they could hold the vessel there and discharge the cargo at the rate of 120 standards a day and tally accurately. We load at Miramichi and while the custom at the port is to load only 80 or 90 standards a day we have loaded up to 200 standards a day and tallied every one of those deals, because we put on enough men to do it, so that it is possible to do that. The way we do it is we send our men there, one man stands at each end of the sling, there will be two slings working on the barges, and the marks are taken down as the pieces are sent aboard.

Mr. Crosby.—You only tally the marks?—A. You may think there will be a little complication there between firsts, seconds and thirds; in the spruce trade we class firsts, seconds and thirds as reputable spruce, and they are accepted that way when coming from reputable dealers. A man who is accustomed to that kind of work will astonish you with the speed at which he can record those marks and record them accurately. So that the difficulty I have found on other side was this, and I have sold a considerable number of cargoes over there, that I have had to give a guarantee to those parties that we would be responsible for any shortage that occurred on that side, should such shortage take place under this clause, and it has. I have not a copy of the letter here which came from the other side, but I think the document they sent to us was to this effect: 'That until clause 10 of the Canadian Water Carriage of Goods Act of 1910 was repealed, they asked us to take the responsibility for any shortage should such shortage occur in a quantity, and to that I had to accede, otherwise I would have been

unable to make sales. Now as far as the banks are concerned, bankers have told me that the bill of lading is not conclusive evidence of the quantity and is not a negotiable document. As far as we are personally concerned that does not enter into it as we do like Mr. McKay does—send the bills of lading forward—we don't ask the banks to take the bills of lading. But it is putting an injustice on the smaller men who may be forced to ship. Instead of selling to Mr. McKay and some of the larger men these men may be compelled to ship their lumber, and if they do, not having the same status in the bank as the larger men, they would be unable to take that bill of lading in, hand it over and get their money for it because the bank would at once say: 'There is a responsibility resting on you in reference to that cargo on the outside as to measurements and pieces, and if any shortage occurs, although we do not know what it will be, there will be a call back on you for the amount.'

By Mr. Crosby:

Q. That would be the case in any shipment, would it not?—A. That would not be the case in any shipment under the old bill of lading, because it was conclusive evidence.

Q. When you ship to firms in Liverpool, have they objected to the form under clause 10?—A. They have objected. Some of our customers have objected and they have asked me—Messrs. Price, Walker & Company are one of the firms we have sold to largely, and they have impressed upon me the importance of trying to get this form changed. And Messrs. Farnworth & Jardine, our selling agents, and one of the members of that firm is here to-day, have told us that some change must be made, we must get that objectionable clause obliterated as their solicitors on the other side claim their bill of lading is not any good under the present Water Carriage of Goods Act.

Q. And you had difficulty in selling?—A. We had difficulty. I was there ten days before I sold a stick and then I had to give a guarantee.

By the Chairman:

Q. People naturally want to get what you sell them?—A. We, as reputable Canadian shippers, wish to do business on reputable lines, but we do not want to be in a position where we are not protected by the parties who give us a receipt for what we give any more than when we go into a bank and the bank says: "We cannot give you a receipt for this amount of money. We presume it is all right but there may be a bad bill in it." We want an absolute receipt for our goods the same as for our money, because this is the only money we have got.

By Mr. Crosby:

Q. Take the ordinary everyday shipper. Do you think it is fair for him to go down to a ship and say. 'Here I have so many hundred, or so many thousand pieces of board. Your ship contains so many thousand feet of lumber. I want a clean bill of lading for that?—A. Yes.

Q. The Captain says: 'I have no way of ascertaining whether that contains the quantity of lumber or not.' You know if you give a signed bill of lading for that lumber he must furnish that contents when he gets to the other side; if the lumber is tallied and found to be a hundred thousand short the ship has got to pay for it. If this condition is hard can you suggest some way, some manner whereby we can probably make this clause 10 suit the circumstances more particularly of the shipper without putting the onus, as we had it before, on the ship.—A. What does the bank do? What does the Bank of Montreal do when you go in with a deposit? They don't take your account for it, they put on a man we call a teller.

Q. Very true.—A. Why should not the ship do the same thing?

Q. There is a difference in taking money into the Bank of Montreal and putting deals into a ship. Any man can tell you, when you have got a bundle of notes, what is there.—A. Can any man tell? They do not put a man there who has no experience,

they do not put Tom, Dick and Harry into the teller's box, they get an experienced man for it.

Q. My question is this: Take the mate of a steamer, or some man of that kind, if he knew as much about lumber as Mr. Snowball he might be in a lumber office?—
A. Exactly, as I have said many times.

Q. Put he is on that ship as an officer and has to tally that lumber. All he can take is the marks. But suppose a marked cargo is put on board ship without taking count of the marks at all and he takes the shipper's certificate and signs the bill of lading. You know that in some cases you put a cargo on board ship and you want a clean bill of lading. You say 'I want a clean bill of lading.' The Master says 'I cannot give you a clean bill of lading.' Well, you give him a letter of indemnity. That is to say, if there is any shortage in the cargo they come back to you for it.—A. The only way they have is to put a checker on.

Q. And then when they put on a checker?—A. If they put on a man and I was satisfied I would be willing to give them such a letter. I have given them such a letter when the Captain would come in and say: 'You have put a lot of deals on board here which I do not think are merchantable deals.' You are not shipping merchantable deals but you have a certain amount of fourths in her; for instance, in shipping pine. Well, I give them a letter at once, indemnifying them at once as far as equity is concerned. The Captain says 'I want a letter to indemnify me for this cargo.' I say 'That was put on by a sworn surveyor.' They are all sworn and there is no trouble in any district for the Captain to get any tallyman to tally his cargo, and he is compelled to do it in the Province of New Brunswick.

By Mr. Carvell:

Q. Mr. Crosby has asked a very pertinent question: would the shippers be satisfied if you were to get a bill of lading by which the ship acknowledged to have received a certain number of pieces having certain marks upon them and agreed to deliver on the other side the same number of pieces containing those marks?—A. Well, you could not do that.

Q. It would be satisfactory?—A. It would be satisfactory if the bill of lading would have the whole specification on it. Not unless you attached the specification and made it a part of the bill of lading, which would be a very difficult thing. Our bills of lading of course—

Q. Well, in effect, you have the same thing at present: the ship is not liable for any difference in the marks?—A. Certainly, I have already stated that the shipper is not liable for any difference in the marks.

Q. That is to say, if they are inaccurately marked, that is a matter between the seller and the buyer.—A. Captains have come to me and said, 'Mr. Snowball, it is not fair to take your tally.' I would say, 'All right, Captain, put on men. If you don't know where to get them I will get them for you. All you have got to do is to go to the town hall and they will tell you.'

By the Chairman:

Q. You do not propose that a ship will actually measure all these pieces?—A. You mean put a rule on them?

Q. Yes.—A. He is not liable for it, Mr. Sinclair.

Q. What happens now? Suppose the ship goes across, she gets so many standards?—A. Yes.

Q. And when she gets to the other side she delivers at Sharpness or one of those ports?—A. Yes.

Q. When the vessel delivers ten standards short what happens? Does not the receiver refuse to pay the freight on these ten standards?—A. If the captain has delivered the number of pieces, none having been lost overboard, and none having

been cut or no broken pieces taken in, the brokers will adjust that matter by making him an allowance, and they have done it.

Q. But if there are these standards short?—A. He will get his freight for it.

Q. How can he get his freight if they are not received?—A. But he does.

Q. But he is asked to pay the value of these ten standards he is supposed to have lost, that is deducted from his freight?—A. No, it is not, if it is shortage in the manufacturing.

Q. I do not know whether it is the case.—A. A. The deals are not measured out by the master in that way, he does not put the rule to them. He takes a chance on these deals and if there is any mistake—

Q. The ship does not have to pay for them?—A. Is not asked to pay for them. Suppose, for instance, a ship takes on 1,500 pieces of 7 by 3, and when it comes to the other side instead of 1,500 pieces of 7 by 3 there are 1,500 pieces of 6 by 3. It is a case where a mistake has occurred.

By Mr. Crosby:

Q. The ship is liable?—A. The ship is not liable.

By the Chairman:

Q. It is liable under this?—A. But he is never held to it, the man who delivers the goods says, 'Here is an evident mistake.' You have to make laws for dealing largely with honest men; laws are not made to deal with scoundrels.

Q. I have known honest men who wouldn't want to make any law at all.—A. I know the law is made largely to protect honest men, the law is not made on the presumption that every one would be a scoundrel.

Q. I agree with you but the point I want to make is that when a steamer delivers a cargo and there is a shortage on the bill of lading the ship is held responsible on it?—A. He is responsible if he has signed, but there is an intimate connection between the buyer and the seller, and this man comes in and says there is an evident mistake, you look it up and the man does so and he sees that it is evidently a mistake, that there has been some 7 x 2½ instead of 3 shipped, and the matter is settled at once.

Q. How many times has that occurred?—A. It do not know that it has occurred very often to us, but I do know it has occurred where there have been mixed shipments.

By Mr. McKenzie:

Q. Is it not a fact that no captain should sign a bill of lading except for what he is positively and absolutely sure he has received, isn't that right?—A. That is right.

Q. He cannot be positively and absolutely sure unless he measures it?—A. Can he be then?

Q. And you say that is impracticable?—A. He may not be able to offhand—

Mr. McKay says that is not practicable.—A. I know that question was put to him, he is a young man, but I would have answered in this way, that it is not possible for any vessel to do that, to put a rule on every one of those pieces, it is not the way that the business is done.

Q. You know there is a peculiarity that when a man is receiving goods on board a ship he is making a contract with a man who is no party to the contract in the first instance?—A. Well, not in all cases.

Q. In almost all cases?—A. For instance I charter many vessels myself, but as soon as my cargo is on board my liability ceases.

Q. There is an implied contract to deliver the goods to the consignee who is no party to the contract in the first place?—A. Is that so, as it works out?

Q. That is the common law?—A. But when the contract is assigned to him it becomes vested in him the moment it is altered, and the charter party is assigned.

Q. There is where the captain should be more careful because he is doing busi-

ness with a party whom he does not know at all?—A. It should be taken for granted, I think, that the cargo having been checked by a duly qualified surveyor—

Q. You can't take anything for granted.—A. Then let the captain put on another surveyor. Because it costs him 5 cents a thousand to do this why should all this inconvenience be caused to us? They are nearly all foreign vessels that are engaged in this trade, the *Pontiac* and the *Micmac* used to be engaged in the trade, but the *Pontiac* was lost and the *Micmac* is looking around for charters, that is the only Canadian vessel that I know of that is engaged in the trade, there may be a few of the Battle line left but I haven't heard of them this year. So that the shippers have to put themselves largely in the hands of foreign captains, largely Norwegian and German, there are very few British captains engaged in the trade, and we have to have something to protect ourselves against any defect or inefficiency in these parties who are looking after their own interests rather than our interests.

By Mr. Crosby:

Q. Is there any way of relieving the shipper and not placing too big a responsibility on the ship? There is no reason why the ship should be held responsible as she was under the old Act. Can you, as a man of experience and knowledge of the interests of the trade, suggest some change and amendment which will remove the difficulty so far as the shipper is concerned, and not hamper the shipowner too much. If that could be done it would help out a great deal.—A. To my mind the only equitable way to do that is to insist on the steamer supplying a sworn surveyor to tally that cargo on board and require the shipowner to accept that sworn surveyor's return of the cargo.

By Mr. McKenzie:

Q. And you are willing to pay that much added freight, I suppose?—A. We are paying 5 cents a thousand which does not affect us very much. I am willing to pay the captain the bill for surveying the cargo as long as he will do it. Five cents a thousand is a mere bagatelle, but what we want to do is to put something in the Act that will put us in an absolutely safe position as against the captain who might be disposed to benefit by certain things, that there may be inducements to him to benefit by, or by carelessness in the transaction of his business and against the receiver on the other side who might accidentally make a mistake in the tallying of the cargo on the wharf. I know of an instance which was related to me yesterday of a cargo which on receipt on the other side turned out short. The shippers felt perfectly satisfied there was no shortage, and an investigation was held, the result being that they found a portion of the cargo in another man's yard; the delivery there, this was delivered in London, is by the Dock Company, and by a mistake a part of the cargo had been delivered to the wrong man. It was rectified at once and the ship broker who started the investigation was notified. Now if the captain had been watching his cargo he would have been careful to see that it went on the right dock.

By Mr. Loggie:

Q. One of the difficulties seems to be that primarily that loss falls upon the ship. Supposing when the cargo reaches Liverpool it is found to be five standards short and it is found that the shortage is caused by a mistake, an error in the work of tallying. Primarily, in the first place, the ship pays that loss, but it is eventually repaid to the ship by the shipper?—A. Well you want to know who would pay that loss if the mistake was made by the shipper himself?

Q. Yes?—A. I think the shipper should pay it.

Q. Yes. But does the ship pay it primarily when it arrives and makes delivery on the other side? It is kept off the freight?—A. It largely depends upon whether it is a self-evident error. If it is they come back and adjust it, and if they cannot show that it is an error of the shipper, an error of calculation or an error in returning a wrong count, there is no reputable shipper that I know of, no shipper in New

Brunswick who ships deals to-day who would not stand behind an apparent error on his part and make it right.

Q. Yes, but unless it is an apparent error the loss in the meantime is upon the vessels?—A. We have shipped 20 to 30 million and the only claim from the ship-owners that carried our deals that we have had have been for a very small amount, and that mostly for deals broken going in. We shipped one vessel last year in September and the consignee notified us that we had to indemnify them against all loss. Our agents bluffed them and wouldn't do it but eventually said: 'Oh well, let us hear from you if anything occurs.' The cargo contained 1,600 standards and it was delivered on the other side and there was no claim from anybody.

By the Chairman:

Q. How much was the shortage?—A. There was no shortage. I have seen the shipper since and asked him about it and there was no claim. If you will allow me for one moment I may say that I have received the following telegrams: (reads)

NELSON, N.B., April 26, 1911.

W. B. SNOWBALL, Esq.,
Russel House,
Ottawa.

'Regret circumstances prevent a large delegation from Miramichi in re Water Carriage Goods Act, but we wish you to inform committee we are fully in accord with the view of delegation and strongly urge the repeal of section 10. Already the injurious effect of this section is being felt by the shipping trade and if not repealed must have serious results. We wish you every success in your mission.'

(Sgd.) GEO. BURCHILL AND SONS.
TIMOTHY LYNCH LUMBER CO.
JOHN O'BRIEN.
A. AND R. LOGGIE.
FRANK HARRISON CO.
F. E. NEALE.
MIRAMICHI LUMBER CO.
JOHN T. RUNDLE.

CAMPBELLTON, N. B., April 25, 1911.

W. B. SNOWBALL,
Russell House,
Ottawa.

'Please represent us at conference with Minister of Marine and Fisheries over changes requested in Canadian Water Carriage of Goods Act, which we trust will be granted.'

(Sgd.) SHIVES LUMBER CO.
RICHARDS MANUFACTURING CO.

BOSTON, Mass., April 25, 1911.

JOHN F. MOORE & Co.,
St. John, N. B.

'This empowers you to represent us fully as though present ourselves at Ottawa in protest of and for repeal of Water Carriage Act, representing at our various mills the product of over fifty million logs. The Act is absolutely destructive of Transatlantic Lumber business.'

(Sgd.) STETSON, CUTLER & CO.

Now the output of these firms are as follows: George Burchill and Sons, 8 millions; Timothy Lynch Lumber Co., 8 millions; John O'Brien, 38 millions; A. and R. Loggie, 3 millions; Frank Harrison Co., 65 millions; F. E. Neale, Miramich Lumber Co., 16 millions; the Shives Lumber Co., 25 millions, and Richards Manufacturing Co., 15 millions. I want to make an explanation in reference to these gentlemen from Miramichi that have signed: not one of these gentlemen have been able to sell one deal this year so far, largely on account of this Act. If they buy they will buy at very much reduced rates, but so far they have not been able to sell one deal yet.

By Mr. Meredith, K.C.:

Q. When did you give your first guarantee?—A. This winter.

Q. That was the first time you have shipped since the passage of the Act, was it?
—A. We have not shipped anything yet.

Q. Not since the Act came into force?—A. We shipped once in September, they asked me for a guarante. It was on the new form of charter, and as I say, we placed it.

By Mr. Crosby:

Q. How did it turn out?—A. It turned out all right. We had no claim, but we might have had.

By Mr. Meredith, K.C.:

Q. You did not have, as a matter of fact?—A. We did not have a claim, but that shows how careful we shippers of deals are, and the other New Brunswick shippers are as careful as we are.

By the Chairman:

Q. Are you aware of any claims made since the Act came into force, since September last?—A. No, I am not aware of any for the season has not opened yet. We don't commence shipping until the month of May.

Witness discharged.

Mr. R. RITCHIE, Newcastle, N.B., called and sworn.

By Mr. Taylor:

Q. You are in business as a manufacturer of lumber?—A. Yes.

Q. How long have you been in business?—A. Six years, I think.

Q. And what is your output?—A. Eh, from about 12 to 15 millions a year.

Q. Where do you ship from?—A. Newcastle.

Q. On the Miramichi?—A. Yes.

Q. What effect has this Act as to the custody of the lumber from the time it is loaded on the ship until it is delivered on the other side?—A. It has a very serious effect. Of course, we have got to give a guarantee, as Mr. Snowball and the other gentlemen have said, for the delivery of the lumber on the other side.

Q. You object to clause 10 of the Act?—A. Oh, certainly.

By Mr. Meredith, K.C.:

Q. You are a manufacturer?—A. Yes, manufacturer and shipper. We manufacture our own stuff and ship it.

Q. How far are your mills from the port?—A. Newcastle is thirty miles from the mouth of the harbour.

Q. Then you load by lighter?—A. No, we load right from the wharf.

By the Chairman:

Q. There would not be much chance of loss in your case?—A. Not in our case because we really only ship our own cut and our own stock.

Q. Have you had any trouble about claims?—A. Not any trouble.

By Mr. Taylor:

Q. You have not shipped any lumber since the new Act went into force?—A. Not since the new Act.

By the Chairman:

Q. Prior to that had you any trouble about claims?—A. There might be trifling shortage. In all cases we checked our tally books and any errors against us we rectified.

Q. And the guarantee they ask for is a guarantee that the actual superficial feet will be delivered on the other side?—A. Yes, that is what they ask for.

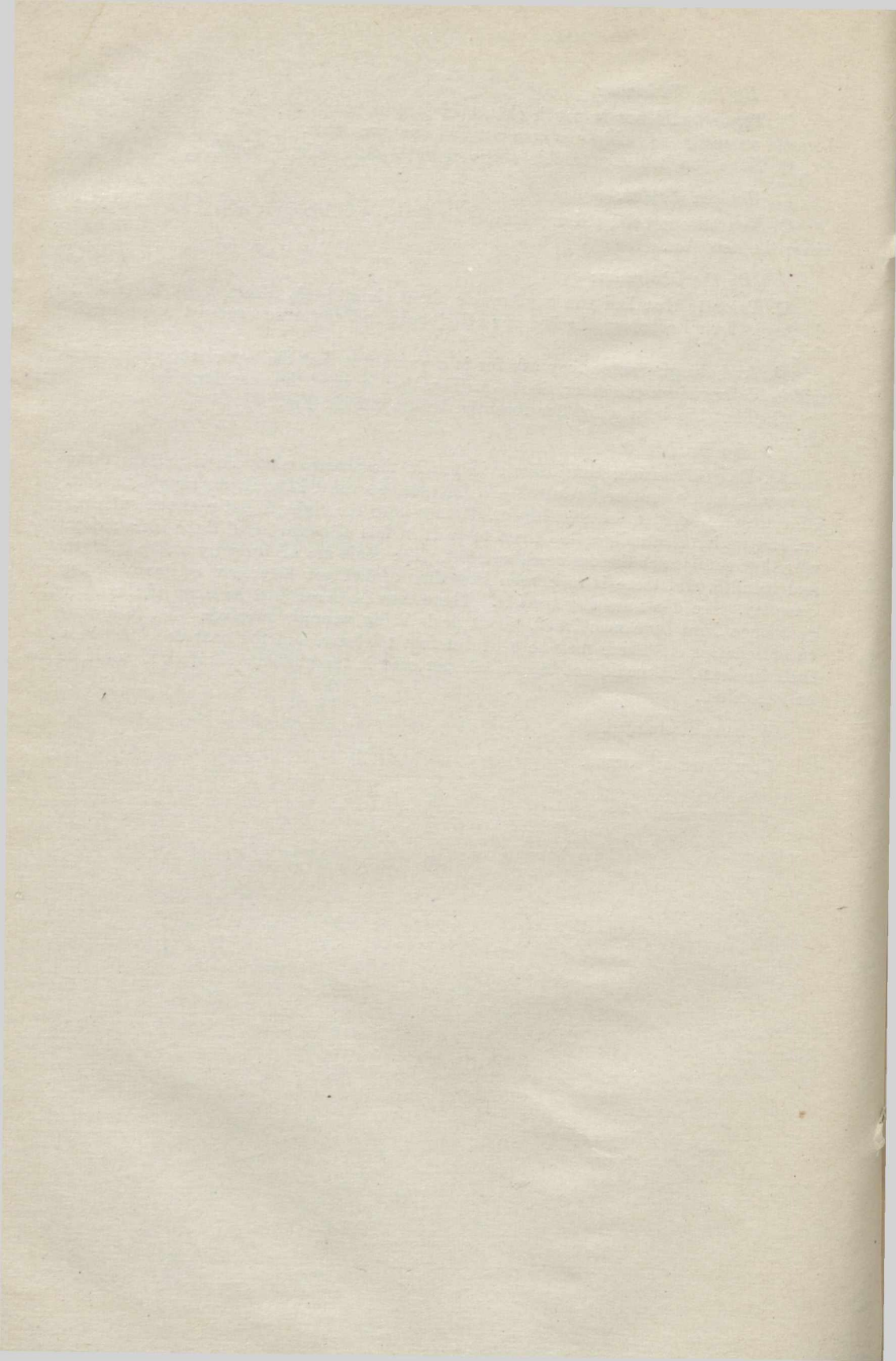
Q. That has been asked for recently, hasn't it?—A. Yes.

By Mr. Loggie:

Q. Do you consider conclusive evidence in the charter party an important thing in regard to the lumber business?—A. Oh, yes, we must have it, we should have it. Of course, the owners of any ship or steamer have the right to put a sworn surveyor on, and we have actually asked them to do it in lots of cases. And there is no reason why they cannot get the corrected account. The deals are all properly marked, length and breadth, and there is no reason why they cannot get a proper estimate of the quantity. We don't see any trouble. There may be cases, just as some of the other gentlemen here have mentioned, about deals being wrongly marked; that is a very exceptional case. There may be a deal a foot too long, and the next deal may be a foot too short. It would not be one half per cent in the quantity shipped, it would be only nominal.

Witness discharged.

Committee adjourned.



EVIDENCE

TAKEN BY THE

MARINE AND FISHERIES COMMITTEE

RESPECTING

CLAUSE 10, CHAP. 61, 9-10 EDWARD VII., "AN ACT
RESPECTING THE WATER CARRIAGE OF GOODS"

No. 2.—MAY 4, 1911



OTTAWA

PRINTED BY C. H. PARMELEE, PRINTER TO THE KING'S MOST
EXCELLENT MAJESTY

1911

MINUTES OF EVIDENCE

HOUSE OF COMMONS,
ROOM 32,
Thursday, May 4th., 1911

The Select Standing Committee on Marine and Fisheries met at 11 o'clock a.m., the Chairman, Mr. Sinclair, presiding, and proceeded to the further consideration of Clause 10 of the Water Carriage of Goods Act.

The CHAIRMAN. The business this morning, gentlemen, is the further consideration of Clause 10 of the Water Carriage of Goods Act. I do not know if there are any more witnesses to be examined.

Mr. TAYLOR (St. John). I have no more witnesses.

Mr. MEREDITH, K.C.—I would like to file, through Mr. Robb, manager of the Shipping Federation, certain charter parties, which have to do with the shipment of wood, on the backs of which are the Bills of Lading. These charter parties, I learn from the manager of the federation, are still in force, and they are charter parties and bills of lading, dealing with shipments of wood, which I understand are agreed upon between the Chambers of Shipping in places in Russia and the Timber Trade Federation in the United Kingdom. One of these charter parties with the bill of lading attached covers Crondstadt, Riga, and Memel. That is for shipments to Great Britain of these classes of goods, wood goods. I see in this charter party which I will file through Mr. Robb, a clause numbered 6, which reads as follows:

“The bills of lading to be prepared on the form endorsed on this charter, and shall be signed by the master, quality, condition and measure unknown, freight and all conditions clauses, and exceptions as per this charter. The owners shall be responsible for the number of pieces signed for by the master or his duly authorized agent, fire and fraud excepted. Perils of the seas and rivers, when the cargo is in lighters also excepted.

Mr. DANIEL.—When you speak of owners do you mean owners of cargo or ship owners?

Mr. MEREDITH.—I should say the owners of the ship. Then if you take the bill of lading, it says—‘Pieces on deck at charterer’s risk.’ And then at the bottom: ‘Quality, condition and measure unknown.’ Now I might ask Mr. Robb some questions just to save time.

The CHAIRMAN.—We had better have Mr. Robb examined.

Mr. ROBB, Montreal, called and sworn.

By Mr. Meredith:

Q. You are the manager and secretary of the Shipping Federation of Canada?—

A. Yes.

Q. Would you look at these charter parties and bills of lading and state whether they are the documents that they purport to be? You might explain what they are.

A. The first charter party that we have before us now is that of the Chamber of Shipping. The chamber consists of the Shipowners’ Associations of the United Kingdom, it is practically a shipowner’s parliament and the charter party is arranged by the

Chamber of Shipping with the Timber Trade Federation of the United Kingdom, that is a federation of all the different timber merchants of the United Kingdom. The first charter party is one used in Cronstadt, Riga and Memel to the United Kingdom. The second is a Chamber of Shipping Wood Charter (Scandinavian and Finland) to the United Kingdom. It originated in 1899. These are all known and public documents and they are recognized by one code word so that if merchants wish to charter a vessel all they have got to do is to use this one code word which signifies this charter party.

Q. So the second charter party you have referred to is—A. Scandinavian and Finland. It is endorsed 'Arranged with the Timber Trade Federation of the United Kingdom.' The next one is the Chamber of Shipping Pitch Pine Charter, 1906, for the United Kingdom, European Continent and Mediterranean. This is also endorsed 'Arranged with the Timber Trade Federation of the United Kingdom.'

By Mr. Crosby:

Q. Has it the same clause as the others?—A. The same clause as the others. Then there is the Baltic Charter party. That is for shipping railway sleepers. These are the principal places in competition with Canadian wood goods.

Q. They all hold that clause as to quantity and quality?—A. Yes, on the back.

By the Hon. Mr. Brodeur:

Q. Is there any such agreement meant at all in regard to Canada?—A. No, there is no agreement.

Q. Or with the United States?—A. Not with the United States.

By Mr. Taylor:

Q. Was there not an agreement made with Canada?—A. I believe there is an agreement with Canadian lumbermen and some individual shippers, but not with the largest firms shipping.

Q. But there has been a standard charter party adopted for the Canadian Wood Goods Trade?—A. I will put in one of the forms if you like.

Q. I mean before the enactment of the Water Carriage of Goods Act, there was a standard form?—A. Yes, there was a general one.

Q. And that standard form called for the Conclusive Evidence Clause in the Bill of Lading?—A. Well, I could not say, but I have not got that form.

Q. But you know as a matter of fact that it did?—A. I could not say for St. John.

Q. I am not talking about St. John, but the general shipment of Wood Goods from Canada to the United Kingdom?—A. Are you speaking about the Charter Party, here (reads):—

Q. The Charter Party entirely?—A. I think I have a Canadian Charter Party here (reads):—

"The Bill of Lading shall be conclusive evidence against the Owners of the quantity of cargo shipped on board as stated therein."

That is the one you refer to?

Q. Exactly?—A. But in the Bill of Lading which is used there is a clause that the shipowner is not responsible for the measurement.

Q. Is there an agreement with reference to shippers from Cronstadt, Riga, and Memel to places other than the United Kingdom? Does that agreement apply to Australia, South America and South Africa?—A. From the Baltic to Australia do you mean?

Q. Yes?—A. Very few cargoes go from the Baltic to Australia.

Q. Do you know whether it applies or not?—A. No.

The CHAIRMAN.—Have they any clause similar to Clause 10 in Australia?

Mr. TAYLOR.—I do not know, I am trying to find out from Mr. Robb, and I presume they have not or he would know.

The CHAIRMAN.—We have a copy of the Australia Act.

The WITNESS.—Yes they have a Water Carriage of Goods Act, in Australia.

By the Chairman:

Q. But it does not refer to timber?—A. No.

By Hon. Mr. Brodeur:

Q. In the United States it does not?—A. No, it is a special class of goods, we are a timber country they are not, they have no timber to export now. Of course there is the Georgia pine from the Southern States but that is all they have. I might submit here the charter party for the steamer *Jacona*, which is in the form used by Messrs. John E. Moore & Co., Limited, of St. John, New Brunswick, a steamer chartered on March 22 of this year. Now I will read you the clause there and this is, I believe, the form which has been in use in St. John for a number of years.

Mr. F. R. TAYLOR.—No, you are mistaken.

A. When did it come out?

Mr. TAYLOR.—Since the Water Carriage of Goods Act was passed.

A. It reads:

“Bills of lading shall be conclusive evidence against the owners as establishing the number of pieces delivered to ship as stated therein, the captains’ or agents’ signature to be accepted in all cases as binding on owners.”

That is one clause and this follows:

“On completion of loading, charterers’ or their agents shall have liberty to board vessels and to crossmark the top pieces of the deck load, also to mark on uprights in painted lines the height of deck cargo. Ship shall give due notice of completion of loading and facilities for so marking.”

That is the ship’s charter which is in use just now, and of course there is a bill of lading which covers this.

By Mr. Daniel:

Q. That includes Clause 10, which you have just read?

Mr. CROSBY.—The only change in that charter party is that there you provide for having the deck load properly marked so that any change in the deck load would be known.

By Mr. Daniel:

Q. Who gets out that charter party or bill of lading?—A. This one is printed by the John E. Moore Company, Limited, of St. John, New Brunswick, and the ship accepts that.

By Mr. Taylor:

Q. Will you look at that, (handing document to witness) that is the form of charter party that was adopted before the Water Carriage of Goods, that is an entirely new form that was adopted afterwards. You will notice that in that charter party proof of evidence as to quantity and quality is inserted, and that is the standard form which was in use before this Water Carriage of Goods Act came into force. The charter party you produce was only adopted by merchants after that Act was introduced, I happen to know that because I have something to do with the charter party?—A. But this bill of lading was made out for the number of pieces. This is the bill of lading for under deck 26,954 pieces of spruce deals, there is nothing about measurements here.

Q. Read the charter party?—A. But this is the bill of lading that you take to the bank, which is a negotiable document. The bill of lading here states the number of pieces; that is our whole argument.

By Mr. Meredith, K.C. :

Q. The number of pieces only?—A. The number of pieces only, so that the ship is not responsible for the quantity.

By Mr. Taylor :

Q. Did you read the charter party here to be conclusive evidence?—A. That is the number of pieces, the freight is calculated on that, that is only for the matter of freight, the goods are carried at so much per standard.

Q. Now, Mr. Robb, read this: "20,643 pieces spruce deals containing 318 ⁵²⁶/₁₉₈₀ St. P. Standards".—A. Read further down.

Q. Read the whole thing and you will find it just exactly as I said?—A. The description here is, "Under deck 11,273 pieces Spruce Deals" containing so many St. Petersburg Standards, and under that is "2,950 pieces Spruce Deals ends, containing—so many St. Petersburg Standards and "on deck 9,370 pieces Spruce Deals containing—so many St. Petersburg Standards.

Q. So that you were mistaken in saying that it only calls for pieces and not for quantity?

By Mr. Crosby :

Q. A vessel would be responsible for delivery of the pieces, and not the quantity, under that?—A. Undoubtedly.

Mr. MEREDITH, K.C.—I do not know whether it is the pleasure of the Committee that these documents should be filed in toto, or whether it would be advisable to have entered in the Minutes the clauses which we refer to.

The CHAIRMAN.—They had better be filed, but the reporter should not be required to copy the whole of the charter party in the record.

Hon. Mr. BRODEUR.—It would be advisable that the clauses which relate to the matter under discussion should be put in evidence.

Mr. MEREDITH.—I do not intend to offer any evidence except this, our contention is that the custom all over the world is that a ship should only be responsible for the pieces, not the measurement, and the statement was made, I think inadvertently, the other day that in Canada there was an exceptional position, as I understand it, that Canada was the only place where the shipowner was not responsible for measurement. *al* As a matter of fact under the Campbell Act a shipper in Canada is in exactly the same position as people shipping from the Baltic, from Russia, the Mediterranean, or Scandinavia and these are the principal competitors of the lumbermen who ship from Canada. Now if those lumbermen who ship from Scandinavia, from Russia, from the Mediterranean, have agreed with the Timber Association of England who only hold the shipowner responsible for pieces and not for measurement, I fail to see where the shipper of timber from Canada should try to hold the steamship owner for measurement, which is an entirely different thing.

Mr. DANIEL.—You speak of timber and of lumber; I would like to know from you whether this bill of lading you speak of from Scandinavia as referring simply to the number of pieces whether it is lumber that is concerned, or timber, because it is very easy to count the number of pieces of timber, logs, huge timber, which is a very different thing to taking the number of pieces of sawn lumber. Does that bill of lading apply to both timber and lumber?

Mr. MEREDITH.—I will try to answer that, although I am not as well up in lumber as I should be. You refer to Scandinavia, this is the "Chamber of Shipping Wood Charter (Scandinavia and Finland), to the United Kingdom." Now when you get down to the schedule, it talks about, "St. Petersburg Standard Hundred", whatever that may mean, and here apparently is what the vessel would carry, "The steamer to be provided with a deck load, at full freight, at charterers' risk, not exceeding what she can reasonably stow and carry, over and above her tackle, apparel, provisions, and furniture;" &c., "and deliver the same, always afloat, on being paid freight as follows:

—"I presume this is what the ship would have to carry: "For deals and battens, for boards, for boards under 1 in. thick, for scantlings, for ends for broken stowage, 8 feet and under, (two-thirds freight) for firewood", I presume that is what it would cover.

Mr. CROSBY.—That covers everything except timber.

The CHAIRMAN.—Could you indicate the clause in the charter party. That deals with the quantity and kind.

Mr. MEREDITH.—What I have read in regard to the kind of wood shipped is under the charter party marked 'A.' It covers Scandinavia and Finland, and what I would like to get the committee to bear in mind in considering the present Bill is that clause 6 of this charter party reads as follows: (Reads)

The bills of lading to be prepared on the form endorsed on this charter, and shall be signed by the master, quality, condition and measure unknown, freight and all conditions, causes and exceptions as per this charter. The owner shall be responsible for the number of pieces signed for by the master or his duly authorized agents (fire and fraud excepted, perils of the seas and rivers, when the cargo is in the lighters, also excepted.)

Endorsed on this bill of lading and the only clause that I would refer to at the end of the document is the one containing the following words (reads): 'Quality, condition and measure unknown.' Now, some explanation in reply to Dr. Daniel as to what is shipped under the next charter party. The next one, which I will mark 'B' bears the following title: 'Chamber of Shipping Pitch Pine Charter, 1906, for the United Kingdom, European Continent and the Mediterranean. Arranged with the Timber Trade Federation of the United Kingdom.' Now as far as I can see what would be shipped under this charter would be sawn pitch pine timber and hewn pitch pine timber. Pitch pine, sawn timber, deals, battens, boards and scantlings. Clause 6 of this charter party reads as follows: (Reads)

The bills of lading shall be prepared by the shippers of the cargo on the form endorsed on this charter and shall be signed by the master, quality and measure unknown, not accountable for splits and shakes unless caused by careless or improper handling, freight and all conditions, clauses and exceptions as per this charter.

The bill of lading is on the back and I would simply refer to this one clause which reads 'quality and measure unknown. Steamer not responsible for splits or shakes unless caused by careless or improper handling.'

The CHAIRMAN.—Boards are included, are they not?

Mr. DANIEL.—Yes.

The CHAIRMAN.—That means that they count the number of pieces in the cargo.

Mr. DANIEL.—It covers lumber, Mr. Meredith, before you go on I would like to ask you a question. The charter party you have just read from, or the one previously read, spoke of losses in lighters. Would that include the loss which was spoken of by the gentleman from St. John the other day where deals, for instance, are being slung from a lighter on board the vessel and some of them dropped into the water.

Mr. MEREDITH.—I think, Mr. Daniel, if you look at this charter party, and I would like to leave it with you, you will see that the clause reads: 'perils of the seas and rivers, when the cargo is in lighters, also excepted.' I should take that to mean that if there is any negligence on the part of the steamship owner, it would not relieve him from responsibility, but if the cargo is alongside in lighters, and if it begins to blow hard and the lighter loses a little bit of lumber, if some deals fall overboard, owing to the very bad weather and not through the negligence of the ship, I should think the ship would not be responsible for that loss under the clause that she is not responsible for perils of the seas and rivers.

Mr. CROSBY.—No.

Mr. LOGGIE.—The Baltic Charter spoke of pitch pine. Does the same rule apply to spruce deals? I did not hear you mention spruce deals but only pitch pine.

Mr. MEREDITH.—No sir, the charter party that I read from deals purely and simply with pitch pine.

Mr. LOGGIE.—And not with spruce deals?

Mr. MEREDITH.—No, sir.

Mr. LOGGIE.—Have you any charter party dealing with spruce deals from the Baltic?

Mr. MEREDITH.—It was the Mediterranean charter party I was quoting from. I notice that it does not say very much about timber, but I understand the Mediterranean charter party is with regard to pitch pine.

Mr. LOGGIE.—Are not spruce deals covered by the Scandinavian charter party?

Mr. DANIEL.—Yes: It covers deals and battens and boards one inch thick, scantlings, ends for broken stowage, eight feet and under, and firewood.

Mr. CROSBY.—They ship the same class of goods from the Baltic that we ship from Canada.

Mr. DANIEL.—Would this take in Norway?

Mr. ROBB.—Scandinavia includes Finland.

Mr. MEREDITH.—I understand that will take in Norway.

Now, answer your question, Mr. Daniel, as to what is covered by these charter parties, dealing with the Timber Trade Shipping Wood charter party for Russia to the United Kingdom, that is to say Cronstadt, Riga and Memel, the goods that would be apparently shipped under the charter party are deals and battens, boards, scantlings and ends for broken stowage. These are apparently all the goods that are shipped under it.

Mr. LOGGIE.—Is the Bill of Lading endorsed on the back?

Mr. MEREDITH.—Yes. Before I get to that, the only clause in this charter party which I consider relevant to my case, is Clause No. 6, which is very similar to the clause which I have read from the others. (Reads):

“The bills of lading to be prepared on the form endorsed on this charter and shall be signed by the Master, quality, condition, and measure unknown, freight and all conditions, clauses and exceptions as per this charter. The Owners shall be responsible for the number of pieces signed for by the Master or his duly authorized Agents, fire and fraud excepted. Perils of the Seas and Rivers when the Cargo is in Lighters also excepted”.

That is very much, I think, the same as before, and this bill of lading is endorsed on the back of it, “Quality, condition and measure unknown,” that is Exhibit “C”, then the only other one is the one that I have filed as “D”, which is the “Chamber of Shipping Baltic Sleeper Charter”, which was adopted by the Baltic and White Sea Conference on the 17th of November, 1905, and that apparently covers the shipment of square or rectangular sleepers, and round or half round sleepers, and Clause 4 of that charter party reads as follows:

“The bills of lading to be prepared on the form endorsed on this charter party shall be signed by the Master for the number of pieces shipped on board or actually taken hold of by the steamers lifting tackle, and the owner shall only be responsible for the number of pieces so signed for, subject to the exceptions contained in Clause 5 hereof.”

Clause 5 is rather long.

“5. The Act of God, the King's enemies, restraints of Princes and Rulers and perils of the sea excepted.” etc.

Then at the back of this is endorsed.

BILL OF LADING.

Chamber of Shipping of the United Kingdom.
Baltic Sleeper, 1905.

and at the bottom is the remark:

“Quality, Condition and Measure Unknown.”

Mr. KYTE.—Am I to understand that objections are made to our Act because the purchasers in Great Britain are refusing to accept bills of lading for pieces?

Mr. MEREDITH.—As far as I can make out from what Mr. Taylor and the gentlemen who have spoken in favour of striking out Clause 10 have said, they complain that they cannot negotiate their bills of lading with the bankers, as I understand it, in other words they cannot do business.

The CHAIRMAN.—Without a guarantee?

Mr. MEREDITH.—Yes. What I fail to understand is why there should be any trouble, why should Canadians find any trouble in doing business when they are under the present Act, without any amendment to it, as far as I can see in exactly the same position as the men who sell timber from Russia, Scandinavia or the Mediterranean.

Mr. KYTE.—That is the point that occurs to me at this moment.

Mr. MEREDITH.—The fact of the matter is I did not know when I was here the other day of these bills of lading or these charter parties, and when I heard the statement made by gentlemen, who I have no doubt were absolutely reliable, to the effect that business could not be done under the present law without the guarantee, it seemed to me extraordinary. Business has been done before the Campbell Act came into force, and I have the evidence, I can prove it from the manager of the federation that the bills of lading did not guarantee the measurements of the deals that went on board the ship.

Mr. CROSBY.—In some cases.

Mr. MEREDITH.—In some cases it may have, but it was not universal and I have never heard from any of those people who ship, where they did not get measurement guaranteed by the ship, that they could not do business in England because the ship would not guarantee the measurement. The fact is that these people were shipping from the Mediterranean and Russia, and that they were doing business, and they are practically the greatest competitors of the Canadian timber shipper.

Hon. Mr. BRODEUR.—Was it the situation in New Brunswick too?

Mr. MEREDITH.—Yes, I think I am safe in saying this, I can support it by proof if necessary, although I did not want to go into it, but I will state this, and if Mr. Taylor wishes to contradict it he may, I am stating from what I consider reliable information, I think it may be said that for four years before the Campbell Act came into force, for about four years, wood goods were shipped on board the liners, by that I mean the large ships, and the responsibility of the ship for these wood goods was determined by the liner's bill of lading, and in the liner's bill of lading they used to put the words “Shippers measure said to be.” There was no guarantee.

The CHAIRMAN.—What does that mean, “Shipper's measure said to be.”

Hon. Mr. BRODEUR.—Said to contain so much.

Mr. KYTE.—Was the number of pieces specified in the liner's bill of lading?

Hon. Mr. BRODEUR.—Have you a copy of that form of bill of lading or charter party?

Mr. ROBB.—There is no charter party in the case of a liner.

The CHAIRMAN.—Was the number of pieces always specified in these bills of lading as far as your knowledge goes?

Mr. ROBB.—Yes, as far as my knowledge.

The CHAIRMAN.—It was the invariable practice to specify the number of pieces?

Mr. ROBB.—Yes.

The CHAIRMAN.—But there seem to be different methods of dealing with the measurement, sometimes in New Brunswick they guarantee the measurement and sometimes they do not?

Mr. ROBB.—Yes.

Mr. KYTE.—Mr. McKean admitted that these were the bills of lading used by the liners, but they only take part cargoes to fill up.

Mr. ROBB.—Parcels.

The CHAIRMAN.—In the St. Lawrence what was the practice?

Mr. ROBB.—As far as the St. Lawrence is concerned we have no complaints from any of our charters.

The CHAIRMAN.—Do you know if measurements were guaranteed by the tramp steamers?

Mr. ROBB.—There may be some, I do not know, but as a rule the proviso was always put in that the ship did not guarantee.

Mr. TAYLOR.—You said, Mr. Robb, that the charter party and bill of lading I showed you did not make the ship responsible. I suppose you are basing your answer to the Chairman's question on similar information to that on which you have given an answer to my question?

Mr. ROBB.—Yes.

The CHAIRMAN.—Is that a legal point?

Mr. ROBB.—A technical point.

Mr. MEREDITH.—We will put in this document as Exhibit "E", I will put it in for what it is worth, it is a lumber bill of lading of the Allan Line.

(Document filed as Exhibit E.)

Examination of Mr. Robb resumed:

By Hon. Mr. Brodeur:

Q. You are Mr. Robb, manager of the Shipping Federation?—A. Yes.

Q. And the Shipping Federation includes what companies?—A. Well, it includes all the regular lines with the exception of the C.P.R. and also a number of tramp steamers.

Q. Do they include the steamships or steamship agents from the maritime provinces?—A. Well, the Nova Scotia Steel Company and the Dominion Steel Company, they are the more important lines.

Q. Plying on the St. Lawrence?—A. Plying on the St. Lawrence.

By Mr. Loggie:

Q. Is the Thompson Line included?—A. No, they are not included.

By Hon. Mr. Brodeur:

Q. Then your experience is mostly with the business on the St. Lawrence?—A. Mostly.

Q. Will you tell us what has been the custom of the trade, what it has been customary to include in the bills of lading which have been given on the St. Lawrence by the members of your Association?—A. Well, this is the bill of lading which has been put in as Exhibit "E", that is the bill which has been in use in connection with the timber trade by nearly all the lines.

By Mr. Meredith, K.C.:

Q. Up to the passing of the Campbell Act?—A. Up to the Campbell Act.

By Hon. Mr. Brodeur:

Q. Will you indicate to us the principal clauses of this bill of lading, those which bear upon the question which is now under discussion?—A. Well, take the first clause

there, "Quantity and description of merchandise." You will see at the bottom of that schedule,"

"Shipper's Measure."

(Said to be)"

Q. Will you read it all?

By Hon. Mr. Brodeur:

Q. So the ship owner does not take any responsibility as to the quantity?—A. No. The number of pieces will be stipulated there.

Q. They give the number of pieces in the first part of the bill there?—A. Yes.

Q. And then below they give the shippers' measurement 'said to be'?—A. Said to be. Then if you go down you will see 'weight, quantity, measure, gauge, quality, condition, brand, contents and value unknown, 'and the ship owner not accountable for the same.'

Q. That is probably the cause which arrests the question just now under consideration?—A. Under consideration.

By Mr. Todd:

Q. What charter party is this?—A. It is the bill of lading of the regular lines used by the principal lines.

By Mr. Meredith:

Q. Up to the time the Campbell Act came into force?—A. Came into force.

By Mr. Brodeur:

Q. Now outside of these liners you have mentioned there are some other vessels carrying lumber in the St. Lawrence?—A. Yes.

Q. What is the nature of the bill of lading which was made by other steamers Is it the same as this one?—A. Their bill of lading is generally made in accordance with the charter party.

Q. The charter party which you mentioned a few minutes ago and which you have fyled—No, it has not been fyled yet?—A. That is one of the Canadian Timber Trade

Q. Will you read the clause which refers to the bill of lading?—A. (Reads):

8. The bill of lading shall be conclusive evidence against the owners of the quantity of the cargo shipped on board as stated therein; and in case of short delivery owners shall produce the log book and furnish an extended protest if demanded, showing the cause of such short delivery, before balance of freight becomes due or payable.

Q. Is there anything with regard to the measurement?—A. The bill of lading covers the measurement afterwards.

Q. Now will you read clause 11 of that charter party?—A. (Reads):

The usual custom of the wood trade of each port to be observed by each party in cases where not especially expressed.

Mr. CROSBY.—That has more to do with the manner of loading.

By Mr. Brodeur:

Q. Would that clause have any bearing upon the question?—A. No, I have a bill of lading—

Q. Connected with this charter party?—A. Yes.

Q. Will you please file it?—A. I have McLean-Kennedy & Company's bill of lading and I have marked the clause, which reads as follows:—(Reads):

The bills of lading to be signed, as presented without prejudice to this charter. Any difference in freight to be settled before the steamer's departure from port of loading. If in steamer's favour, in cash less insurance. If in charterer's favour

by captain's draft upon his consignees, payable five days after arrival of steamer at port of discharge. Steamer to have an absolute lien upon the cargo for all freight, dead freight, and demurrage. Charterer's responsibility to cease when steamer is loaded and bills of lading are signed.

McLean, Kennedy & Company are the largest charterers we have in the St. Lawrence tramp steamship business.

Q. They belong to this association too?—A. Yes.

By the Chairman:

Q. How many tramp steamers are there?—A. I should say twenty or thirty during the season.

Q. Trading in the St. Lawrence?—A. Yes, chiefly.

By Mr. Meredith:

Q. Have the Rexford's any?—A. Yes.

By Mr. Brodeur:

Q. Have you got the bill of lading?—A. That is the bill of lading pinned on to the charter party.

Q. What you have quoted from is the charter party of McLean, Kennedy & Co.?—A. There is a bill of lading, but I have not a copy with me. I thought it was pinned on to this charter party.

Q. Will you supply us with a copy?—A. Yes.

Q. And it will be filed as exhibit 'H'—Under the bill of lading which you produced a few minutes ago as Exhibit 'E' have the shippers of wood experienced any difficulty in having their bills of lading transferred to the banks?—A. No, we have never had any complaints so far as the regular lines are concerned. That bill of lading which I produced belongs to the regular lines. We have never had any complaints.

Q. There was no mention on the bill of lading of any superficial quantity of timber which was carried. A. No.

Q. And Shippers have never experienced any trouble with regard to the negotiating of their bills of lading?—A. No, there have been no complaints. I think Mr. McKean's evidence bore that out.

Q. Are you familiar with the circumstances in New Brunswick?—A. No.

Hon. Mr. BRODEUR:—Because it seems to be the only Province where any trouble has been experienced so far.

Mr. TAYLOR.—In Nova Scotia and Quebec also.

By Hon. Mr. Brodeur:

Q. Have you heard of any difficulty in the other provinces?—A. Nothing but what I heard the other day given in evidence here.

Q. I believe there is a large quantity of wood shipped from British Columbia. Have you heard of any trouble being met with there?—A. No, I have heard of no complaints.

Q. Do they ship there by the quantity of feet or by measurement?—A. As far as British Columbia is concerned, I cannot answer that.

Q. In the St. Lawrence, if I understand you aright, the customs is to ship by the quantity and not by measurement?—A. By the number of pieces.

Q. You are not familiar with the situation in New Brunswick?—A. No.

Q. Are there any cases in the St. Lawrence where agreements have been made between the shipper and the ship owner by which they could ship by measurement?—A. It is quite possible there may have been agreements.

Q. But you do not know of any?—A. No. We do not know of any.

By Mr. Taylor:

Q. Are you speaking as to the St. Lawrence?—A. As to the St. Lawrence.

Q. Only as to St. Lawrence shipments?—A. And tramp steamers in the St. Lawrence. I have put in McLean, Kennedy & Company's charter party.

Mr. KYTE.—I would like to ask Mr. Taylor if he can offer any explanation as to why it is bills of lading based upon the Scandinavian Charters are negotiable in the banks of England, and the bills of lading under our Act are not.

Mr. TAYLOR.—In answer to that the fact remains that the English purchasers have refused absolutely our bills of lading in consequence of this Act. I do not know what arrangements they have made with regard to the Scandinavian bills of lading, but they have absolutely refused to accept ours, and we cannot do business without the guarantee. That is the position that we are put in by the Act.

Hon. Mr. BRODEUR.—Have you taken up the question to find out how far they were receiving bills of lading from the Baltic—

The CHAIRMAN.—And the St. Lawrence.

Hon. Mr. BRODEUR.—And the St. Lawrence, which contain purely and simply the number of pieces while objecting to do the same thing for the New Brunswick trade.

Mr. TAYLOR.—The question has been taken up in every possible way with them and every effort has been made to get them to accede to our proposals. We have had conferences repeatedly with reference to this particular matter and to get our bills of lading accepted, and they have point blank refused to do it. Now we are hung up entirely with regard to this matter.

The CHAIRMAN.—Can you offer us any explanation of the fact that there is so much said about shortage in St. John shipments? That does not appear to be the case with regard to the shipments from the St. Lawrence and other places. Have you been able to find any solution of that?

Mr. TAYLOR.—I haven't heard of any great shortage in New Brunswick shipments, occasionally there is a slight shortage, but there is no very great shortage.

The CHAIRMAN.—If the purchasers on the other side were not having any difficulty with the cargoes from St. John they would not be asking guarantees, would they?

Mr. TAYLOR.—The shortage has been very slight, so slight that the ship owners have preferred to sign the bill of lading, and they have signed it rather than incur the trifling expense of 5 cents a thousand for having it surveyed.

Mr. CROSBY.—There is the question of saving of time.

Mr. TAYLOR.—It does not make any difference in the time, not a minute.

Mr. CROSBY.—The shipowners say there would be too much time consumed.

Mr. TAYLOR.—There would not be one minute's delay for a survey.

The CHAIRMAN.—You are only referring to a tally, you are not referring to a measurement by rule?

Mr. TAYLOR.—There is no need to put a rule on it, the sizes of the planks are already marked upon them in plain legible figures and all they have to do is to take down those marks. The ship has no responsibility except for what it receives according to the marks on the deals. The ship is not responsible for anything now except possibly the number of pieces. The situation, Mr. Chairman and Gentlemen, comes down to this that the purchasers on the other side have absolutely refused to accept the bill of lading, and the result has been the entire disorganization of the Canadian trade.

Mr. MEREDITH, K.C.—I am asking for my own information as I am anxious to get all the facts in connection with the question, but I would like Mr. Taylor to state who have refused?

Mr. TAYLOR.—The two associations in England, the Timber Trade Association of the North of England and the Bristol Channel Association have held meetings and absolutely refused to accept the present bill of lading.

Hon. Mr. BRODEUR.—How is it they have received bills of lading coming from the St. Lawrence, that is what I would like to know?

Mr. MEREDITH, K.C.—How is it that the largest timber association in England has agreed to the form used in Russia, the Baltic, and the Mediterranean, which only provides for the number of pieces?

Mr. TAYLOR.—They have refused to accept it, and they have been tried in every possible way. There are people here who are acting for Messrs. Price & Geary, who are among the largest importers of timber from the north of Europe, and who are also large importers from Canada, they are absolutely familiar with all Mr. Robb has said about the timber business in the north of Europe and they realize there is a difficulty under the Canadian Act. It may seem extraordinary that the manufacturers of timber, the people who are shipping it from North Europe are able to make an agreement that is perfectly satisfactory to all parties and that we in Canada cannot make an agreement that is equally satisfactory. But no attempt has been made in North Europe to legislate regarding the different forms of agreement, and why should Canada legislate as to the form of charter party to be adopted by us?

Hon. Mr. BRODEUR.—That is another question altogether, and before going into that let me put a question, as I want to get all the information possible about that. How is it that the bills of lading which have been produced here from the St. Lawrence, for example, are being accepted in England, where the quantity is not determined, but simply the number of pieces, as to quantity they simply say, "Shipper's measurement said to be" so much. Now how is it that these bills of lading are accepted and yet similar bills of lading are not accepted as far as your province, or shipments from your province are concerned.

Mr. TAYLOR.—The situation is very different with regard to shipments made on tramp steamers as compared with shipments made on the Allan or C.P.R. liners where there is no loss. In the case of the liners the goods are carefully handled there is no loss loading, because they keep men in the boat, as Mr. Keen explained the other day, watching for deals which drop out of the slings while being loaded, and consequently there is no loss. But in tramp steamers—

Hon. Mr. BRODEUR.—Yes, but Mr. Robb speaks to us also of tramp steamers on the St. Lawrence doing the same thing.

Mr. TAYLOR.—To my knowledge any ship coming to Nova Scotia or New Brunswick always signs this bill of lading as to quantity.

Mr. C. A. DUCLOS.—I can show you a charter party of a steamer at Barachois which did not sign except for the number of pieces only.

The CHAIRMAN.—You produced the other day, Mr. Taylor, a letter from the Bristol channel Timber Importers Association which is addressed to 'F. & J.' who is 'F. & J.'?

Mr. TAYLOR.—Farr and Jardine of Liverpool.

The CHAIRMAN.—Now have you a copy of the letter to Farr & Jardine, to which the letter you produced answers an answer?

Mr. TAYLOR.—I have not.

The CHAIRMAN.—I just wondered what they said to those people in that letter.

Mr. TAYLOR.—I understood it was a letter refusing to give the guarantee, and the purchasers refused to buy without the guarantee.

Examination of Mr. Robb resumed.

By Mr. Loggie:

Q. Do I understand you that that charter for wood in the St. Lawrence, where a tramp steamer is chartered for a full cargo, the conclusive evidence clause is omitted from the charter?—A. No, not in all cases.

Q. Then the conclusive evidence clause is, in some cases, included in charters for full cargoes from the St. Lawrence?—A. Yes, I believe it is.

Q. Is there any good reason why a tramp steamer entering into a bargain with a buyer on the other side should not agree to the conclusive evidence clause. In your experience have you known of hardships to a vessel carrying such a cargo under such

a charter party—A. I believe there have been a number of very hard cases where ships have been 'soaked' when they arrived at the other side.

Q. Can you get us some definite evidence as to that fact?—A. I can; I can cable to England and get evidence of the Underwriters' Association, in fact my friend here who represents some of the largest underwriters association can tell you of claims that vessel owners have had to meet.

Q. Now in view of the fact that it has been the custom of the trade for the last half century to make such a charter party with the conclusive evidence clause in the charter, is there any good reason why we, as a federal parliament, making laws now after fifty years' experience should step in and interfere between the carrier and the shipper?—A. I think myself we should protect the small shipowners, the liners are able to protect themselves and we should protect the small shipowners, that clause 10 protects them, and you ought to protect them. For four years they tried to force that upon the liners at St. John but we have been able to stand firm and only accept the number of pieces.

Q. But it was very clearly brought out in the evidence given the other day that the liners who do not take that responsibility, carry the goods at a much less rate of freight, and why a shipowner who wishes to do so cannot enter into an agreement with a party to carry on certain conditions as to loading I cannot conceive unless you give me some more definite information?—A. I would not say the liners always take goods at a less rate of freight. They get an increased rate for small parcels.

By the Chairman:

Q. They get all they can?—A. They get all they can.

By Mr. Loggie:

Q. The evidence brought by the shippers from St. John is that the liners take parcels at a much less rate than an entire cargo?—A. If that was done we would carry all the lumber cargoes from St. John.

Q. How would you do that, when the lumber is carried during the summer and the liners do not frequent that port in the summer season?—A. We could carry it more cheaply if the lumber was shipped direct and there was no trans-shipment. It costs more where the cargo is shipped indirectly and involves transshipment.

Q. I quite understand that, but you said that if the rates were less you would carry all the lumber?—A. Yes, to direct ports.

Q. It has been the custom of the trade at Miramichi for during fifty years for the vessel owner to agree to the Conclusive Evidence clause, but he has the right to protect himself by tallying the cargo at a very nominal expense. When he signs his bills of lading according to the Conclusive Evidence clause he is responsible for the delivery of the pieces according to the marks. Would it not be fair that if the shipper were obliged to attach his specification, giving the number of pieces, the lengths and widths, attached to the bill of lading?—A. I do not think there would be any objection to attach the specification to the bill of lading, but I would object to making it part of the bill of lading. You could attach it but not make it a part of the bill of lading.

Q. Why do you object?—A. Because it is impossible for the ship owner to tally the measurement of these goods. You heard one of the gentlemen who attended the meeting of this Committee explaining the number of months it took to measure a cargo in the London docks. He said it was three or four months before they could get a return of the output of the cargo. Well how long is it going to take us to measure that cargo.

Q. You misunderstand me, that is not what I meant to convey at all. Every piece of deal is marked and I have stood beside the tallyman many a time and beside the ship and seen the deals going on board, and I do not believe there is any difficulty in having an expert tally man tally those pieces of deal as quickly as they could be

put into the sling. Do not misunderstand me. It simply means tallying a stick fifteen by nine, meaning fifteen feet long and nine feet wide, and then making a specification of that—A. How is it possible we could know that was fifteen feet?

Q. I do not care about that, that is not the question just now. What I want to get at is, would it not be fair if the ship-owner were obliged to deliver according to the marks not according to the actual measurement—A. We do that now according to the marks. We deliver the number of pieces.

Q. There is where you and I differ. For example there might be a deal twenty two feet long, and if it were cut in two it would make two deals eleven feet long and the ship would only be obliged to deliver the number of pieces, and get if they had parted with eleven feet the measurement would be short—A. Then you suggest that it is open to the ship to count the two pieces. If it is open to the ship it is also open to the lighter that brings them alongside to count the pieces.

Q. But the ship accepts no responsibility until the lumber is alongside. The tally man is there checking his tally off and every deal is marked. That is the practice. At any rate you would have no objection to the specification being attached.—A. If it is not made part of the bill of lading.

Q. It would be I suppose so many pieces according to the specification—A. That practically means measurement. We certainly would object to that.

Q. Suppose there would be 100 pieces fifteen by nine—A. How are we to know that there would be that many pieces unless we made a measurement.

Q. But they are marked?—A. They are marked with a piece of chalk. Can not that mark be rubbed off and become obliterated? How are we to know that that deal is the exact length.

Q. Because a sworn surveyor has put the mark on it, it comes from the mill and goes into a pile where it is almost impossible for the mark to be obliterated unless it was a rainy day or something like that. And even if it disappears it is not a very difficult matter for the tally man to know the length.

Mr. DANIEL.—Where is the mark placed on the deal?

Mr. LOGGIE.—On the end of the deal, on the flat part of it.

Mr. DANIEL.—At both ends?

Mr. LOGGIE.—No, at the end only.

Mr. DANIEL.—If a sling of deals is being put on a vessel—

Mr. LOGGIE.—They are tallied before they are put on the sling as they are lifted off the lighter and very clearly and distinctly marked, and to my mind there is no difficulty in doing what I suggest except that a man need to be somewhat of an expert and used to that class of work. I think it is only fair that the ship should be responsible for the marks that are on the deal, not necessarily on the contents as to cargo measurement. That seems to me a fair proposition and one which would meet the situation.

The WITNESS.—If it was possible for the ship to check the measurement I would say so, but it is not possible. I think it would be a very great hardship, as I believe it has been in the past.

By Hon. Mr. Brodeur:

Q. I see that in the charter party of Messrs, McLean, Kennedy and Co., marked exhibit G. this provision (reads)

“For timber under deck.—If discharged at Montevideo or if ordered to Buenos Aires, on signing of Bills of Lading..... per thousand superficial feet, inch measure, intake survey.”

If ordered to discharge at Buenos Aires, after arrival at Montevideo.....per thousand superficial feet inch measure, intake survey, &c.

Would not this expression “per thousand superficial feet,” lead us to believe that it provided for the quantity as well as for the number of pieces?—A. In the bill of lading we would simply put: “Shippers’ measure..... said to be.”

The CHAIRMAN.—But the Minister asks what is the force of that in the Charter party.

Hon. Mr. BRODEUR.—In the charter party where the payment has to be made on the quantity.

The WITNESS.—That would be put in there practically so that there could be some standard for drawing against the number of feet; the bank would not advance unless you had a certain number of superficial feet to draw against, whatever the number of pieces of a certain size, that will determine the number of superficial feet, and that gives the amount they would be willing to advance upon.

By Hon. Mr. Brodeur:

Q. That has no reference at all to the relations between the bank and the ship, that relates to the relations between the owner of the vessel and the charterer. Coming then to the other charter party which you have produced as Exhibit "F" entitled, "Canadian Timber and Deal Charter (Quebec and Above)", Section 8 says:

"The bill of lading shall be conclusive evidence against the owners of the quantity of cargo shipped on board as stated therein;"

So that under the new Act which has been passed this clause would have to be removed, it is contrary to law?—A. Yes.

Q. This is the contract which has been in existence for a number of years?—A. Yes.

Q. And you never heard any complaint with regard to that?—A. There has been no complaint.

Q. Is it necessary then to pass a law declaring that if such a clause is put in it will be an illegal contract?—A. I think as the section stands now it is illegal if you put in such a clause.

Q. We are considering the clause now, and I want to find out the reason why it was put in. The Parliament of Canada passed a law last year declaring that if a contract were made between a shipper and a shipowner specifying that there was in the vessel a certain quantity of timber that contract would be illegal. What reason would there be for passing such a law?—A. You mean for removing this clause, taking the clause out?

Q. No, no, for passing such legislation in the first place, I want to know the reason why it was passed?—A. I think that as far as we are concerned we have nothing to do with that clause which came in from our New Brunswick friends, but it is a very fair clause, it is looked upon as fair, as far as the shipowners are concerned.

Q. But if I understand you right, if I may judge by the bills of lading and charter parties brought before us, a system has prevailed for years by which the quantity in feet was given in the charter party or bill of lading; was it therefore necessary to pass a law declaring such to be illegal when everything, judging by what you have said, seemed to be going on fairly well?—A. Well, this Water Carriage of Goods Act interfered with the freedom of contract between the shipowner and the shipper, in the case of wood goods there had to be an exception otherwise it would have been a very serious thing for the shipowner if he were made responsible for the quantity.

Hon. Mr. BRODEUR.—But this shipowner was perfectly free to refuse to give any such bill of lading as that, why should we, by legislation, make it illegal, that is what I want to know?

Mr. CROSBY.—Mr. Robb might ask you why you made that law.

Hon. Mr. BRODEUR.—I did not make this law, Section 10 was not in the bill as I introduced it, it was put in by the committee.

The CHAIRMAN.—I see Mr. Robb's point very clearly. Before this bill was passed at all there was freedom of contract between the shipper and the merchant, but by clause 2 of the Act you prevent freedom of contract between the shipowner and the shipper; you have made it necessary that the shipowner should protect himself. Prior

to that he could put something in his bill of lading showing that he was not responsible for measurement, but you have prevented him doing that.

Hon. Mr. BRODEUR.—I think before the law was passed he was not responsible for measurement.

WITNESS.—If you withdraw that Clause 10 the shipowner is responsible for the measurement.

Hon. Mr. BRODEUR.—No, it will be a question of contract.

The CHAIRMAN.—No, he cannot, under the Act, protect himself.

Mr. MEREDITH, K.C.—I do not want to take up the time of the committee but in answer to your question I would say that if you take out Clause 10, under Clause 4 of the Campbell Bill, as we call the Act that is now in force, the shipowner could not contract to have himself held not liable for measurement.

Mr. MCKENZIE.—What does Clause 4 say?

Mr. MEREDITH, K.C.—Clause 4 says:

“Where any bill of lading or similar document of title to goods contains any clause, covenant or agreement whereby—

(a) The owner, charterer, master or agent of any ship, or the ship itself, is relieved from liability for loss or damage to goods arising from the negligence, fault or failure in the proper loading, stowage, custody, care of delivery of goods received by them or any of them to be carried in or by the ship; or,

(b) Any obligations of the owner or charterer of any ship to exercise due diligence to properly man, equip and supply the ship, and make and keep the ship seaworthy, . . . are in any wise lessened, weakened or avoided; or,

(c) The obligations of the master, officers, agents or servants of any ship to carefully handle and stow goods, and to care for, preserve and properly deliver them, are in any wise lessened, weakened or avoided;

such clause, covenant or agreement shall be illegal, null and void, and of no effect, unless such clause, covenant or agreement is in accordance with the other provisions of this Act.

Now in Clause 9 of that Act it is provided:

Every owner, charterer, master or agent of any ship carrying goods, shall on demand issue to the shipper of such goods a bill of lading showing, among other things, the marks necessary for identification as furnished in writing by the shipper, the number of packages or pieces, or the quantity or the weight, as the case may be, and the apparent order and condition of the goods as delivered to or received by such owner, charterer, master or agent; and such bill of lading shall be prima facie evidence of the receipt of the goods as herein described.

In this Act, which the shipowner never asked for, he was prevented from putting in a clause in the bill of lading which relieved him of responsibility for shortage in delivery.

Mr. TAYLOR.—What clause in the Act prevents him?

Mr. MEREDITH, K.C.—The negligence clause.

Mr. TAYLOR.—That is for negligence in the loading, stowage, custody, care or delivery of the goods.

Mr. MEREDITH, K.C.—Supposing when a vessel arrives in Liverpool, and we have taken on board a whole lot of deals from lighters, and the shipper's measurement is mentioned in the bill of lading, under this bill we have to put in the shipper's measurement, he gives us the quantity and we have to put it in, but when we arrive at Liverpool we are short. Now, what happens? We are sued, and without Clause 10 the moment there is a shortage on the other side, we, having signed for the quantity, have to pay.

Mr. TAYLOR.—Under the Act you do not have to put in any quantity, if you know the number of pieces.

Mr. MEREDITH, K.C.—I would ask anybody to look at Clause 9 and say that I am not right.

Mr. TAYLOR.—You must have had it in mind when you accepted the bill before.

Mr. MEREDITH, K.C.—Look at clause 9: 'Every owner, charterer, master or agent of any ship carrying goods, shall on demand issue to the shipper of such goods——' We have to do it——' a bill of lading showing among other things, the marks necessary for identification as furnished in writing by the shipper, the number of packages or pieces, or the quantity or the weight, as the case may be.' Now supposing you take out Clause 10 and the shipper comes to the shipowner and says: 'Give me a bill of lading showing the quantity,' and the shipper gives to the shipowner the measurement, under Section 9 the shipowner has to give a bill of lading with that measurement on it.

Hon. Mr. BRODEUR.—Are you very sure on that point? First, you have got to put on the marks necessary for identification as furnished in writing by the shipper. Second, the number of packages or prices or the quantity or the weight as the case may be. Could not the shipowner give the number of pieces or the quantity? It is a matter for him to decide.

Mr. MEREDITH.—It is a matter for the shipper to decide.

Hon. Mr. BRODEUR.—No the ship-owner.

Mr. MEREDITH.—Suppose the shipper comes and says 'I am not going to put in my bill of lading the number of pieces but so many feet,' the shipowner is obliged to give him a Bill of Lading. The one is at the option of the shipper, but the other is an obligation of the ship-owner.

Hon. Mr. BRODEUR.—First he will have to give the marks in writing to him then the number of packages and the quantity or weight and the third condition required is, "the apparent order and condition of the goods as delivered to, or received, by such owner, charterer, master or agent.' I am under the impression reading this clause that the ship-owner will have the right to give either the quantity or the number of pieces.

Mr. MEREDITH.—If that is the case my learned friends do not need anything more than is in the Act at present. I do not think that is what is meant. I think the promoters of the Act must construe it as I construe it; if they do not there is no necessity for section 10. If your contention, Mr. Minister, is correct, the ship-owners could say to the shippers: 'We will only give you a bill of lading containing the number of pieces, we will not give you a bill of lading stating the quantity.'

Hon. Mr. BRODEUR.—But the law declares that if I do not give the quality or the weight it will be illegal.

Mr. TAYLOR.—And you would render yourself liable to a fine of a thousand dollars.

Mr. MCKENZIE.—Suppose there was no clause 10 and you were taking a cargo of bricks. Would you, if the shipper insisted on it, have to acknowledge the number of bricks on board?

Mr. ROBB.—Yes we would have to count the number of bricks.

Q. If that be true in the case of bricks why make a distinction in the case of wood?—A. Well it has to be measured in the case of wood.

Mr. MEREDITH.—We take the responsibility of the number of pieces.

Mr. ROBB.—The same as in the case of bricks.

Mr. MEREDITH.—The thing we are troubled about is the measurement.

Mr. ROBB.—Yes, as to measurement.

By Mr. Taylor:

Q. You agreed, did you to the Campbell Bill in the Senate concerning clause 10? A. No, I think that was Mr. Meredith.

Q. Were you not there yourself?—A. Not at the last.

Q. But you were there before the Senate Committee. A. Yes, but not at the conclusion.

Witness discharged.

Mr. MEREDITH.—As far as the Campbell Bill is concerned I want to be perfectly frank about it. That measure was introduced originally in the Senate and it was much more onerous when introduced than it is now.

Mr. DANIEL.—Onerous on whom?

Mr. MEREDITH.—On the ship-owner. It was very much more onerous when introduced than in its present form. As one of the Counsel engaged in the ship-owners behalf I came to the conclusion, after the measure had been before the Senate a short time, that it was in the interest of my clients to enter into an agreement to accept this Bill rather than prolong the already long discussion in the Senate. We accepted the measure because we feared something worse might happen to us. I mean to say there were certain indications which might have meant that we would have had a measure which would have been far more onerous than was what I may call the compromise Bill. This Bill did not go through the Senate that year because there was a great deal of business before the House. However it was re-introduced, in the same form as the compromise Bill, in this House. I will be perfectly frank and say that when it came up for discussion—and I think the records of this Committee will establish the fact—I refused to ask for any amendment to the Bill because I had agreed to the compromise Bill in the Senate.

The CHAIRMAN.—Yes, I remember.

Mr. MEREDITH.—Clause 10 was introduced without my making any application for it. I did think, although I did not say a word with regard to it, that it was a fair clause, but I could not ask for it because I felt bound by what I had said in the Senate. Now that clause having been introduced without any demand from the parties who were obliged under the compromise, without our having moved to get it in any possible way—directly or indirectly—it seemed to me fair that the ship-owner should say whether it is a fair clause to hold on to. It is not as though we were a party to its having been introduced, I felt that I could not be a party to its introduction, but when it was put through without any endeavour or any effort on the part of the shipowners, who had agreed to a compromise bill, it seemed to me it was open to all ship-owners to state to the Committee why the clause should remain. I would far sooner, as far as I am concerned, and I may say my learned friends who are with me, representing other interests, large interests, agree with me, as far as I am concerned as Counsel for the Shipping Federation, and also as Counsel for the C.P.R. steamers, which do not belong to the federation and are the only trans-Atlantic Line that do not belong to it.

Mr. CROSBY.—Why do they not belong, will you not take them in?

Mr. MEREDITH.—We would be glad to have them come in and to have everyone join it because it is simply a federation for looking after the improvement of the laws and aids to navigation.

Hon. Mr. BRODEUR. The Shipping Federation, has been of great service to the interests of navigation.

Mr. MEREDITH.—And I invite any shipowner to join it as the Association is doing what I consider very good work in promoting the interests of navigation. Therefore, representing a large body comprising all the trans-Atlantic liners, as I understand it, and as specially representing the C.P.R., which does not belong to the Federation, I would very much sooner see Clause 10 go out with a proviso in the Campbell Act that it does not cover wood goods at all, than to tinker with this Bill or to allow the thing to go on for all time. I do not want to have this come up every year; you have one class before the Committee now, that is the wood men and the people who caused the Campbell Bill to come into force were the flour men and as representing these different shipowners I would prefer to get rid of this whole thing by having the Act declare that it does not cover wood goods at all. Leave the people who ship wood goods free to contract with the steamship owners the same as they were before the Campbell Act came into force.

Mr. TAYLOR.—I may say that we are quite willing to accept that, that is all we ask.

Hon. Mr. BRODEUR.—Do you know the consequences?

Mr. TAYLOR.—The bill will not apply to use at all then.

Hon. Mr. BRODEUR.—The consequence will be that they will contract themselves out of any liability on the shipment of your goods.

Mr. MEREDITH, K.C.—I do not think that is quite fair. The Minister says we will contract ourselves out of any liability: what it will mean is this that there will be competition for the carrying of wood goods, the wood goods will go over just the same, and I presume the people who want to ship them will ship them on the line that will give them the best conditions, that is what it will mean. Now Mr. Campbell did not want to ship his flour like that, but these gentlemen are prepared to have freedom of contract, they will make a deal with us and will put any conditions in our bill of lading that are agreed upon.

Hon. Mr. BRODEUR.—And stipulate that if there is any negligence upon the part of the shipowners they will not be liable.

Mr. MEREDITH.—We may or we may not. The shipper, of course, need not accept that, he can have his own ship or he can charter a ship, he can make his own arrangements and can get his lumber shipped as he wants to. From the shipowner's standpoint the whole of this Campbell Act is contrary to British usage, it does away with liberty of contract and prevents the shipowner from entering into a contract with people who want to ship goods. The flour people did not want to have liberty of contract and would not give the steamship owner liberty to contract. I for one think the lumber people are prepared to adopt the law in England, which gives liberty of contract. I, for one, representing these people, have not had an opportunity to consult them very much, but I think I can bind them to this, that if this is going to be the end of it, take the wood goods out of the Campbell Act altogether and leave us where we were before that measure came into force with regard to wood goods. I would be prepared to do the same thing with regard to every other commodity, but that would not suit the flour people.

Mr. WALSH. I represent the Canadian Manufacturers Association and certainly we will not agree to any condition of that kind.

The CHAIRMAN.—You want to maintain the Act as it is.

Mr. WALSH.—Well, so far as that is concerned we did not appear when the bill came up in the Senate but we did appear before the committee a year ago and we were then in favour of the bill as it came before this committee. Mr. Meredith, on behalf of the Shipping Federation, stated that he was agreeable to the bill as it was then presented. After that Clause 10 was inserted, certain other modifications were then made in favour of the shipowners, they were all for it at the time and finally it was agreed upon. There were no representatives of shippers by tramp steamers, there was no one here familiar with the conditions, representing the shippers. We have in our association shippers of all kinds, we have nearly 3,000 members, and we export lumber among other things and I was not familiar with the conditions presented by Mr. Taylor and by the gentlemen who were here a week ago. Now Section 10 in the Act to my mind fully protects the carrier, there is no question about it, he is simply required to give a receipt for the goods in accordance with what is furnished by the shipper, no more and no less, that is all he is required to deliver at the destination. Now he is not in any different position from any other carrier. There is another feature in connection with this legislation which has not been brought out, I might go back a little, this matter was brought up first by the Flour Association of London, England, they fought it out as conditions were then entirely different from the conditions that prevailed in the United States ports. They suggested that we should have as favourable conditions for shipment by Canadian ports as were enjoyed by those who shipped from United States ports. In other words that we should have the same provisions as existed in the Harter Act. We have not asked for anything more than that, we have not got anything more in the original Act; in fact we have less in this Clause 10. All we want is to be put in the

position that we will have the same conditions when shipping by a Canadian port as if we shipped by Portland, New York, Philadelphia or Boston. The Bill as introduced in this committee was in that shape, there was too much business in the House of Commons, or something, and it didn't go through and it came back to this committee where this clause was inserted.

Mr. DANIEL.—You object to wood goods being taken out of the Act?

Mr. WALSH.—I do not see what is going to be gained by taking them out.

Mr. MEREDITH, K.C.—I want to understand the situation. I understand that Mr. Taylor, representing the Nova Scotia and New Brunswick people, who complained about Clause 10 is satisfied with my suggestions?

Mr. TAYLOR.—I also represent the shippers who control nine-tenths of the shipments from Quebec.

Mr. MEREDITH.—Who do you represent, Mr. Walsh?

Mr. WALSH.—I represent the Canadian Manufacturers' Association.

Mr. MEREDITH.—What shippers belong to that Association?

Mr. WALSH.—A number of shippers, some of those gentlemen who were here, Mr. Gregory, who appeared before the committee the other day is a member of our Association.

Mr. MEREDITH.—Is he not also represented by Mr. Taylor?

Mr. WALSH.—Yes.

Mr. MEREDITH.—Then Mr. Taylor has to do with him. What I want to get at is, and it is important so far as my clients are concerned, to arrive at some conclusion, Mr. Duclos and Mr. Creelman can speak for themselves.

Mr. C. A. DUCLOS.—I represent the North of England Indemnity Association, the United Kingdom Association and the Cairn Line of steamships.

Mr. J. J. CREELMAN, Montreal.—I represent the United Kingdom Mutual Steamship Assurance Company, Limited, of London, England, the Standard Steamship Owners Protection and Indemnity Association, Limited, of London, England, the Standard Shipowners Mutual Freight, Dead Freight, Demurrage and Defence Association, Limited; the Furness Withy Line and the Manchester Liners.

Mr. MEREDITH.—In order to arrive at a compromise and to get rid of this thing I would suggest that Clause 10 be taken out, provided that Section 2, subsection (a) reads as follows:

Have you got the Act before you gentlemen?

The CHAIRMAN.—What you propose is provided wood goods are exempted from the operation of the Act.

Mr. MEREDITH.—Yes, provided wood goods are exempted from the operation of the Act. Subsection (a) now provides that the Act shall not affect so and so. The definition 'goods' includes goods, wares, merchandise and articles of any kind whatsoever, excepting live animals. I would like to know if that is agreeable to Mr. Taylor, who represents important interests.

Mr. TAYLOR.—I represent practically the entire lumber trade of the province of Nova Scotia and New Brunswick and also parties who control nine-tenths of the lumber shipped in the province of Quebec.

Mr. MEREDITH.—My proposition will simply mean that the lumber people will not be under the Act.

Mr. WARBURTON.—Then you strike out Section 10.

Mr. TODD.—I have been listening to this discussion right through and I desire to say as one of the committee, that when Clause 10 was brought before us the shipping interest was largely represented and the matter was discussed very fully. The clause in question was finally left to a subcommittee of two members to draft something that would be satisfactory to all parties. The Act went into force and it is now represented by lumbermen in the provinces of New Brunswick and Nova Scotia, and others that there is a certain amount unfairness in the operation of Clause 10. Still as one of the members of the committee who agreed to the clause. I do not think that it is

quite fair to withdraw wood goods entirely from this Act. I feel that the shippers of lumber in New Brunswick are perhaps asking too much when they require a shipowner to guarantee the quantity of lumber taken on board, but I also feel that the shipowner should take the lumbermen's specification which they furnish and which can be tallied out when the lumber is being lightered into the vessel, they should sign a bill of lading and agree to the marks that are on these deals, battens and ends, but I think it would be impracticable for the ship to sign for the quantity. I understand when they do not sign for the superficial quantity, the banks in some cases refuse to take that specification. It seems to me that the banks cannot rightly refuse to accept the lumbermen's specification, and I feel, in justice to the shipowners, that they should not be obliged to sign for the quantity. Now, I have been reading over Clause 9, and think it covers fully what has been stated here. It is not necessary for Clause 10 to be in the Act at all. I would move that after the word "goods" in the second line of Clause 9 we insert the words 'Wood or otherwise.' In that way we will provide for wood goods and Clause 10 can be struck out.

The CHAIRMAN.—The Act provided for that now.

Mr. MEREDITH.—It covers all kinds of goods.

Mr. TODD.—Under that it seems to me that the ship owner has got to furnish to the shipper a specification that he has got certain deals, length, and a certain number of pieces, but it does not oblige him to sign for the quantity or measurement. If you feel that 'wood goods' should not be put in, then I should feel disposed to strike out clause 10, as has been suggested.

Mr. MEREDITH.—May I say one word in answer to that? It seems to me, sir, the difficulty there is this—and I have thought of that very amendment, I may say. Your idea, I presume, was that the shipper would give a specification.

Mr. TODD.—Yes.

Mr. MEREDITH.—And attach that to the bill of lading and the specification would show the dimensions.

Mr. TODD.—Yes, the dimensions.

Mr. MEREDITH.—That would be attached to the bill of lading and then I presume your idea would be that the shipowners would be responsible for the pieces of these dimensions.

Mr. TODD.—On the specifications.

Mr. MEREDITH.—Then that practically means that the shipowner would be responsible for the number of pieces and the measurement.

Mr. TODD.—Not the measurement.

Mr. MEREDITH.—Yes, if you attached the specification which is really the measurement to the bill of lading. Then when the ship got to the other side and everything was not delivered, the man who bought that stuff at the other end of the voyage goes to the shipowner and says: 'Here is my bill of lading, here is the specification, and the stuff that came off that ship is not according to those dimensions, it is not according to the specification, which means that there is not the proper measurement, Pay me for the shortage.'

Mr. LOGGIE.—If it is according to the marksé

Mr. MEREDITH.—Not according to the marks, but according to the specification which deals with measurement.

Mr. TODD.—Now suppose the shipowner was obliged to allow a tallyman to tally the pieces that went on board with chalk marks on. Suppose there are one hundred pieces of certain dimensions, he does not measure the actual length, width or thickness of those pieces, but by means of the chalk marks placed on the pieces he can check over with the shipper's specification. The ship can then sign to deliver on the other side those pieces marked in that way.

Mr. CROSBY.—That is what he does now under the Act.

Mr. TODD.—I do not think so.

The CHAIRMAN.—That is what is done now, but some member of the committee

raised the point the other day that when there was a shortage it would be impossible to say what sticks were short.

Mr. TODD.—If a man signs his specification that he has furnished so many pieces of certain sizes, it is the gross number of pieces.

Mr. CROSBY.—He is bound to deliver the number of pieces exactly as taken on board.

Mr. MCKENZIE.—The other day when Mr. Gregory was giving his evidence I followed him very closely and I will do him the credit of saying he put his case very strongly. The only point in which I agreed with him was that they should have sufficient data to identify the sticks or pieces that went aboard. I thought he should have that. I was not then familiar with clause 9. I think that clause 9 provides that and only that.

It says: "Every owner, charterer, master or agent of any ship carrying goods, shall on demand issue to the shipper of such goods a bill of lading showing, among other things, the marks necessary for identification", it does not say that the marks shall furnish quantities, but for the identification of the particular goods that are furnished; I think the shipper is entitled to that. It is contained in Clause 9, and if Clause 9 is good law let Clause 10 go out.

The CHAIRMAN.—Mr. Meredith that includes the quantity as well.

Mr. MCKENZIE.—I think that has reference to the class of goods. If it were coal it would be quantity, or if it were stone or something of that kind.

Mr. LOGGIE.—Would that mean marks on deals?

Mr. MCKENZIE.—Yes, I think that is sufficient to prove identification. I am only speaking for myself and I was satisfied that we could amend Section 10 to the extent of having that identification provision in it, but as long as it is in Section 9 it would not be necessary to have it in two places.

Mr. TAYLOR.—I do not know whether it has been mentioned to the committee but we have filed with the Minister of Marine a petition from some 600 people interested in the lumber business in New Brunswick, Nova Scotia and Quebec, signed by practically all the parties of any importance at all in the lumber trade, and there was also transmitted a copy of a resolution of the assembly of the province of New Brunswick asking for the repeal of Section 10. We have found as a practical matter of business that we cannot do business with Section 10 in force. All the evidence introduced by Mr. Meredith in this case along the line of showing that contracts were made along a certain line in North Europe. There has been nothing produced here suggesting that anywhere else in the world is there legislation existing preventing the making of a contract such as is ordinarily made in business. It has been pointed out that there is an important trade springing up between Canada and Australia, South Africa and South America in wood goods which it is impossible to carry on under this section. We respectfully ask for the repeal of this section. We got along very well before this Act passed, we had no trouble, we had a charter party which was accepted, but this Act has caused an uproar in the English trade and the people of New Brunswick have been prevented from doing business there, they cannot sell their goods, the purchasers will not buy them, and this is causing a great deal of hardship. We have no objections to wood goods being eliminated from the Water Carriage of Goods Act, and we have no objection to Clause 2 of that Act being amended as Mr. Meredith suggests, but we do ask that Clause 10 be struck out. This trade amounts to \$10,000,000 in a year and Section 10 does not do any good to any interest. As against that the uncontradicted evidence before the committee is that the operation of Section 10 will cause a loss of upwards of \$200,000 a year to Nova Scotia and New Brunswick.

The CHAIRMAN.—How is that, Mr. Taylor?

Mr. TAYLOR.—We will have to check delivery on output of the vessel in England.

The CHAIRMAN.—The ship will have to do that; will not the ship have to do that in order to protect herself?

Mr. TAYLOR.—The ship, under this Act, would not have to do it in my opinion; we would have to do it—because the ship is only responsible under the Act for the pieces.

The CHAIRMAN.—Now I understand you to estimate the shortage at \$200,000 a year?

Mr. TAYLOR.—Not the shortage, but the cost of this survey on the other side; it has been estimated at \$120,000 a year for New Brunswick and \$60,000 for Nova Scotia, that is Mr. McKeen's estimate, that is not the shortage but the cost of the survey.

Mr. DANIEL.—And that will come back on the manufacturer?

Mr. TAYLOR.—It is a very serious situation, and it does not do anybody any good. At least the only people who do benefit, as a matter of fact, are some Norwegian and Swedish, foreign, tramp steamers.

The CHAIRMAN.—It is a question of who is going to lose it.

Mr. TAYLOR.—It is not a question exactly of who will lose it, the ship is on the spot and checks it on delivery. The officers of the ship are there and can look after delivery of the cargo; we cannot send a man to Australia or to the Argentine to check it, we could get it checked in England but it costs a large amount of money to do it there, and in foreign ports it will be impossible to do so.

Mr. MEREDITH.—The amendment I suggested you approve of?

Mr. TAYLOR.—Yes.

Mr. MCKENZIE.—If the committee takes out Section 10 and amends Section 2, so that wood goods will not be included under the operation of the Act at all, there will be freedom of contract.

Committee adjourned.

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EVIDENCE

TAKEN BY THE

MARINE AND FISHERIES COMMITTEE

RESPECTING

CLAUSE 10, CHAP. 61, 9-10 EDWARD VII., "AN ACT
RESPECTING THE WATER CARRIAGE OF GOODS"

No. 3.—MAY 9, 1911



OTTAWA

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EXCELLENT MAJESTY

1911

MINUTES OF PROCEEDINGS

HOUSE OF COMMONS,
ROOM 32,

TUESDAY, May 9, 1911.

The Select Standing Committee on Marine and Fisheries met at 11 o'clock a.m., and proceeded to the further consideration of clause 10, Water Carriage of Goods Act.

Hon. Mr. BRODEUR.—At the last meeting of the committee, Mr. Robb, of the Shipping Federation, agreed to furnish us with a bill of lading used by Messrs. McLean, Kennedy & Co. I have received a letter from that gentleman inclosing bill of lading, together with an explanatory letter from the manager of McLean, Kennedy & Co. (Reads):—

218 BOARD OF TRADE BUILDING,

MONTREAL, May 8, 1911.

DEAR MR. BRODEUR,—Referring to your request at the Committee of Marine and Fisheries, to be supplied with a copy of the bill of lading used by Messrs. McLean, Kennedy & Co., I now have pleasure of inclosing you same, also letter addressed to me and signed by their manager, giving the custom before and after the Water Carriage of Goods Act was passed.

Trusting this will serve your purpose.

Yours very truly,

(Signed) THOMAS ROBB.

Hon. L. P. BRODEUR, K.C., LL.D.,
Minister of Marine and Fisheries,
Ottawa, Ont.

McLEAN, KENNEDY & Co.,
STEAMSHIP BROKERS AND AGENTS.

119 AND 120 CORISTINE BUILDING,
MONTREAL, May 8, 1911.

THOS. ROBB, Esq.,
Manager,
Shipping Federation of Canada,
Montreal, P.Q.

DEAR SIR,—We beg to inclose specimen copy of B/L generally used on tramp steamers loading full cargoes of lumber from the St. Lawrence, from which you will note that we do not sign for measurement, nor do the shippers ask us to do so.

During the season of 1910, we handled from the St. Lawrence upwards of 25,000 standards of deals, and in every case signed only for the number of pieces. This custom was in force in the St. Lawrence both before and after the Water Carriage of Goods Act was passed, therefore this Act did not effect the lumber business in the St. Lawrence in any way.

Yours truly,

McLEAN, KENNEDY & CO.

Per WM. R. EAKEN,

Manager.

24954 pieces spruce deals, marked J. B. C.

The Ship to be in no way liable for any consequences of the Act of God, Perils of the Sea, Fire, Barratry of the Master and Crew, Enemies, Pirates and Thieves, Arrest and Restraint of Princes, Rulers, and People or Quarantine Restrictions of whatever Nature or kind, Collisions, Standing, and other accidents or Errors of Navigation also excepted, even when occasioned by the Negligence, Default or Error in Judgment of the Pilot, Master, Mariners, or other servants of the shipowners. The vessel to have liberty to call at any port or ports in any order, to take Bunker Coals, or other supplies, and to sail without pilots and to void, to tow and be towed, and assist vessels in distress, and to deviate for the purpose of saving life or property. Ship not answerable for losses through explosion, bursting of boilers, breaking of shafts or any latent defect in the machinery, or hull not resulting from want of due diligence by the Owners of the Ship or any of them, or by the Ship's husband or Manager.

' Shipped, in good order and condition by J. Burstall & Co., of Quebec, in and upon the good steamship or vessel called the " Craigendoran," whereof Findlay is master for this present voyage, and now lying in the Port of Three Rivers and bound for Glasgow, viz.: Twenty-four thousand nine hundred and fifty-four pieces spruce deals, being marked and numbered as per margin, to be delivered in like good order and well-conditioned at the aforesaid port of Glasgow unto order of shippers or their assigns, he or they paying freight for the said goods as per London Chamber of Commerce form of charter party dated June 1, 1910, at the rate of thirty-five shillings sterling, per St. Petersburg Standard Hundred, with average accustomed. All provisions and exceptions of the said Charter Party are incorporated herein whether in favour of the shipowner, shipper or holder of bill of lading. In witness whereof the master of the said ship hath affirmed to four bills of lading, all of this tenor and date, one of which being accomplished, the rest to stand void.'

Dated at Three Rivers, this 21st day of August, 1910.

By authority of captain.

(Sgd.) McLEAN, KENNEDY & CO.

Pro. WM. R. EAKEN,
Agents.

Specimen copy of B/L used on tramp steamers.

McLean, Kennedy & Co.

p. pro. W. R. Eaken.

Committee adjourned.

EXTRACT FROM MINUTES OF PROCEEDINGS.

HOUSE OF COMMONS,
COMMITTEE ROOM No. 32,
TUESDAY, May 9, 1911.

The committee met at 11 o'clock, a.m., Mr. Sinclair, the chairman, presiding.
Present:—Messrs. Brodeur, Chisholm (Inverness), Daniel, Jameson, Kyte, McKenzie, Sperry, Todd, Turgeon and Warburton.

The committee proceeded to the further consideration of section 10 of the Water Carriage of Goods Act.

On motion of Mr. Warburton, seconded by Mr. Todd, it was resolved that paragraph (a) of section 2 of chapter 61, 1909-10, be repealed, and the following substituted therefor:—(a) 'goods' includes goods, wares, merchandise and articles of any kind whatsoever, except that it does not include live animals or lumber, deals and other articles usually described as 'wood goods.' And also that section 10 be struck out.

On motion of Mr. Brodeur, it was resolved that a report be made to the House in conformity with the above motion, and that the law clerk be requested to prepare a Bill so amending chapter 61.

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