

For example, supposing damages done on the Lakes to a Canadian-built vessel, British vessel, or a Canadian vessel built in the United States. If this damage is of a character that would indicate from \$5,000 to \$50,000, which is a common occurrence, the Canadian owner, or his representative is immediately approached by an agent of one of the shipyards in the United States. This agent gives him such inducements that the Canadian is often tempted to go there for repairs. Last season, up to October 1st, \$100,000 of such repairs had been made, while not \$1,000 of repairs to a United States vessel have been made in Canada, although in this country there are plants just as good and an adequate supply of skilled labour as can be found in United States waters. My own conviction is that unless sufficient protection is given to the Canadian shipbuilding and repair yards immediately, they may have to go out of business altogether. There has been no profit made by the shipbuilding firms in Canada for many years, while, on the other hand, the industry has flourished with our neighbours.

For the nine months ending on the 31st of March, 1907, the total mail subsidies and steamship subventions voted by Parliament amount to \$958,757; the appropriations for ocean and river service, (which are really aids to navigation) are \$599,700, while for the lighthouse and coast service for the nine months the total is \$1,046,150, or a grand total for the year of \$4,672,899. If the steel shipbuilding plants could get one-fourth of the amount that will go to the steamship companies alone, or \$300,000 it would give such a boom to shipbuilding in Canada that before many years have passed away a first class fleet of Canadian lake vessels would be in existence, and Canadian produce would be almost entirely carried in Canadian bottoms.

The encouragement of lake shipping would reduce the cost of transportation both east and west. The Government has aided the railways by enormous land grants and cash subsidies, yet this important link, the common fresh water carrier, that anyone can own and operate, and is the free agent to carry cheaply in connection with the railroads or in opposition to them, has to struggle along without assistance. United States lake vessels are now getting the full advantage of the Canadian canals, light-houses, beacons, and improvements to the waterways generally at an ex-