

that when a new branch is started almost the first thing done is to increase the number of officials and extend the expenditures. What we are going to do is, without question, to increase the expenditures in connection with the administration of this fund; that, I say, is unnecessary and undesirable.

Now, I wish to turn to another phase of the question, and this, I think, is the most significant point of all; apparently it has not been within the knowledge of the minister. I want to ask the minister not to argue this point away, because it is an important one. I ask him to let this matter stand over for another year until he has had an opportunity of really acquainting himself with the business aspect of it, the shipping side of the question, not merely the administrative side, because I have shown that that is a very simple matter. Now, the other phase to which I wish to refer is this: the effect of this tax in the past as  $1\frac{1}{2}$  cents has been to work against the interests of our shipping, and if it is increased to 2 cents the situation is aggravated. I go so far, Mr. Speaker, as to ask the Government to consider the advisability of entirely withdrawing the tax and handling the sick mariners on the same basis as they are handled in Great Britain. But I wish to direct the attention of the House to the effect of this tax on the cost of shipping. It not only means a direct charge of  $1\frac{1}{2}$  cents—two cents, if the amount is now increased—but it means a retaliatory charge on the part of, say, the United States. In this connection I wish to place on Hansard very briefly a statement showing how that works out, because the matter is a very important one as affecting the cost of our shipping:

The United States law provides that upon satisfactory proof being given to the President by any Government of any foreign country, that no discriminating duties of tonnage or imposts are imposed or levied in the ports of such nation upon vessels wholly belonging to citizens of the United States, the President may issue a proclamation declaring that the foreign discriminating duties of tonnage and impost within the United States are suspended and discontinued, so far as respects the vessels of such foreign nation.

Now, this refers to a tax of 6 cents a ton imposed by the American Government against our shipping and against the shipping of other countries which impose similar charges. So that our shipping is compelled not only to pay  $1\frac{1}{2}$  cents, or the proposed 2 cents, but also 6 cents when they go into American ports.

To carry the point on a little further, I anticipate the reply from the minister that

this law is not applied to the whole of Canada by saying that I admit that. I want to give a list of the countries the shipping of which is now exempt upon entering American ports and to show that we too can be exempt if we remove this particular impost or tax, because it was the cause of the application of the 6 cents tonnage tax by the United States against Canadian shipping. The countries exempt in United States ports are the following:

Certain ports in the Dutch West Indies; Copenhagen; province of Ontario; Colon and Panama; Greytown and Boco de Toro; Nicaragua; Montserrat, Gaudeloupe and Granada in the West Indies; Spain; Germany.

Here we have the peculiar situation that ships from one province in Canada, namely, Ontario, can go into ports in the United States free from this 6 cents tax, while shipping from other provinces, including Quebec, British Columbia, and the Maritime Provinces, must pay a 6 cent tax when entering American ports, simply because of this impost of  $1\frac{1}{2}$  cents on account of sick mariners' dues. I protest, therefore, against this tax in that it is increasing the cost of shipping to Canadian producers.

I object to the principle of this proposal because it includes certain provinces and excludes others. I see no reason in the world why it should apply to some of the provinces and not to others. Certainly if the Government insist upon the principle they should apply it alike to all the provinces in which there is any shipping. I have already referred to the method employed by the British Government. The British Government, instead of imposing this tax, gives to ship owners, under the terms and provisions of the Merchants Shipping Act, certain instructions which they must carry out. I will read one or two by way of illustration and to make clear my point to which I shall proceed in a moment. Clause 82 of the Merchants Shipping Act states:

The master should pay the expenses of removal, subsistence, medical advice and medicine until the seaman returns to the ship, or until the officer endorses the agreement with a certificate that he is fit or unable to proceed on the voyage.

It further states:

The officer will request hospital authorities to inform him within twenty-four hours of the admittance into hospital of any seaman from a British ship.

And so forth. There are many other clauses, all of which show that the Board