

Supply—Transport

least of not having any remedy which will help solve our shipping problems on the Atlantic coast.

I am going to ask the minister also to explain to the committee the results of the survey made by the commission. I understand they were asked to make a survey; and in fact this is mentioned in their report covering the period to March 31, 1948, tabled in this house. The commission was to conduct a survey which would include, first, the existing domestic and international shipping services needed to serve Canadian trade. That was one answer they were to give us, how that objective could best be reached. Second, they were to advise as to the most suitable ships for employment in Canadian services; and third, as to the operating costs of Canadian ships as compared with those of other registries. If I were a lawyer I think I would rest my case on those three points, but I am just an ordinary businessman, and it is from the business approach that I place my facts before the minister in the hope that later this evening he will be able to give a satisfactory answer, or at least let us know what is being done by his department and particularly by the maritime commission with respect to these surveys. According to this report the commission was formed—

—to co-ordinate the administration of shipping matters and recommend to the government policies for the preservation of the shipping and shipbuilding industries. The Canadian Maritime Commission Act provides that the commission shall recommend to the Minister of Transport policies and measures which it considers necessary for the maintenance, manning and development of the Canadian merchant fleet and shipbuilding industry; administer steamship subventions voted by parliament; and assume any other powers, duties and functions required by the Minister of Transport or by the governor in council. The act also authorizes the commission to investigate and study Canadian requirements with respect to shipping services, the type, size and speed of ships required for these services, Canadian shipbuilding and ship-repairing facilities and the costs of building ships in Canada and operating them under Canadian flag.

Those words "Canadian flag" bring to mind a thought I am going to place before the government. There is an item in the estimates to which I am not going to refer at length. It is item No. 488, dealing with maritime freight rates, which calls for the payment of \$5,500,000 to carry out the purposes of the Maritime Freight Rates Act. If I may go back to 1923, in that year Hon. W. S. Fielding brought into operation a ten per cent preference on all goods entering Canada through Canadian ports, which was of material benefit to our ports, particularly those on the Atlantic coast. I am going to ask the minister and the maritime commission to consider a policy somewhat along that line and based upon that principle, except that instead of

[Mr. Isnor.]

dealing with incoming freight it should deal with outgoing cargoes; that is, the payment of a subsidy or other assistance on freight shipped through Canadian ports in Canadian ships carrying the Canadian flag. I believe that if a policy such as that could be worked out it would be of real benefit to the shipping interests. Today we know that operating costs are high. In an article I read in *Saturday Night* of February 1, 1949, headed "Canada Must Have a Policy for Merchant Shipping," reference is made to the cost of operation; and it reads in part as follows:

As it has been officially announced recently by the chairman of the Canadian maritime commission, it costs about \$950 per day under the American flag, \$780 per day under Canadian flag, and \$500 per day under British flag to run these ships or similar types.

As can be seen, roughly speaking there is a fifty per cent increase in the rate on the Canadian shipping lines over that of the United Kingdom shipping lines. Those are the figures supplied, I believe, by the maritime commission to the writer of this article, which goes on to refer to other ships as follows:

Italian and Norwegian vessels operate still cheaper. Although management is part of cash outlays, these figures exclude it and also depreciation and interest. Our competitors, therefore, operate at about fifty to sixty per cent of our costs.

Mr. Chevrier: May I interrupt the hon. member in order to ask this question? Did he say there was a difference of fifty per cent in the rates?

Mr. Isnor: No, in operating costs per day. I am quoting the figures.

Mr. Chevrier: I think the record will indicate that the hon. member said "rates". I am sure he did not intend that.

Mr. Isnor: No, I did not intend that. I thank the minister for correcting me. The costs per day are \$500 as compared with \$780, which would be roughly fifty per cent. Is that clear for the minister's officials? At least that is the way I interpret it.

As I have already stated, that is an important matter to us, and it is important from many angles. It is important not only to the ship owners or operators and to the crew but also to the trades associated with the shipping interests in any port. We have our longshoremen. In Halifax alone there is a waterfront population of something like 4,000. That includes of course not only those who unload the ships, check the freight and so on but those who supply provisions.

Of importance to any port are the shipyards for making repairs to ships. Just within the last few days I read that Halifax Shipyards Limited proposed to lay off 500 or 600 men largely because there is no repair