

Special Trade Commission's Report on Transportation.

The special trade commission, which was appointed by the Dominion Government, in April, 1916, to visit Great Britain, France and Italy, to make an enquiry into the new conditions brought about by the war, and as to the possibilities for the supply of many commodities needed in Canada, and which were obtained formerly from Germany and Austria, and also to look into the question of profitable exchange with Great Britain and allied European countries, consisted of J. W. Woods, Toronto, Chairman; T. H. Wardleworth, Montreal, Vice Chairman; G. W. Allan, Winnipeg; H. E. Dupre, Quebec; W. F. Hatheway, St. John, N.B.; and F. Pauze, Montreal. The commission's report, issued recently, deals with transportation as follows:

"The commission was at every point confronted by the problem of ocean transportation. Prior to the war regular lines were running between Great Britain and Canadian ports, viz.: the Allan, C.P.R., White Star, Dominion, Canadian Northern, Donaldson, Cunard, Manchester, La Compagnie Generale Transatlantique, and La Navigazione Generale Italiana. Between France and Canada the only British line operating at the outbreak of hostilities was the Allan Line between Montreal and Havre. La Compagnie Generale Transatlantique established in 1912 between Montreal and Havre, and only ceased at the outbreak of hostilities. Communication between Italy and Canada was established by La Navigazione Generale Italiana, which ran a regular steamship line, Genoa-Canada. However, as soon as war was declared, this line was suspended. The C.P.R. also had a line running between Canada and Trieste, but naturally this service was immediately suspended on the declaration of war.

"In taking a general view of the transportation between Canada and the allied nations, it would appear that the established lines have not given that service in linking up Canada with other countries which might have been expected. It has been felt for years that the rates of freight have been of such a character as to seriously impair their usefulness as a means of developing Canadian trade. Canada's ocean transportation will have to be completely reorganized if the Dominion is to derive the fullest benefit from her natural resources and manufactured products. The question is one of such serious importance to the Dominion that the commission feels that it calls for prompt and scientific treatment by the government. It was suggested to the commission that greater use might be made of tramp steamers, but this class of vessel requires a cargo outward as well as home, and if encouraged to come to Canada, a steamer of this class is heavily penalized in the matter of insurance, particularly if the voyage is by the St. Lawrence route. As the tramp steamer forms by far the larger proportion of ocean cargo tonnage, it would appear that Imperial control centralized, say in London, might so adjust the employment of ships that the different needs of the Empire might be met as the requirements of the crop or season might demand. Mr. Pauze dissented from this. If such a mobilization of imperial transportation facilities could be achieved, it would lead to an adjustment of freight carrying which would ensure adequate return to the steamships and at the same time

bring about a reduction of freight rates which would enormously assist transportation between Canada, the ports of Great Britain and the allied nations.

"In the commission's opinion the question is too important to be left to the decision of private corporations, as the future of Canada in respect to overseas trade will depend almost entirely upon the securing of favorable service and freight rates. It is to be remembered that a great number of Canada's competitors are geographically in a much better position, owing to their nearness to the markets of Great Britain and the allies, and it will be necessary to overcome this drawback if Canada is to have an important share of European trade now so freely offered to her.

"At Havre, Bordeaux, Marseilles and Genoa, the establishment of direct lines was urged as a matter of supreme importance. In the commission's opinion the service could be better rendered by the adoption of an imperial scheme of mobilization of our transportation resources. While direct lines have their advantages, it was felt that many of the subsidized lines in the past had not rendered the service which might have been expected from them. In the Italian conference which the commission held, it was pointed out that one of the assets which Italy boasted was surplus manual labor, which gave rise to the large emigration of recent years. While it is not likely that the emigration movement from Italy to Canada will assume pre-war proportions for some time to come, still, it may be reasonably expected that the movement of emigrants from Italy to Canada would in a large measure compensate for any shortage of cargo from that country to Canada on the return voyage. It may be recognized that full cargoes from both France and Italy to Canada could not always be looked for, seeing that Canadian shipments were of large bulk as a rule—lumber, wheat, etc., whereas French and Italian cargoes consisted of finer and less bulky goods.

"It may be claimed that governmental interest in transportation would encourage mainly a certain section of the community; but looked at broadly, an ocean service is simply a sort of bridge between one country and another, and while the direct benefit which may be enjoyed by one section is manifest, all sections profit by the easier and cheaper means of transit. As the conditions brought about by the war are abnormal, the commission does not wish to deal specifically with them as regards transportation. The question for the future will be the prevention of conditions which interfere with cheap and adequate distribution of Canada's products.

"The commission ventures to suggest that the question of shipbuilding in Canada should receive the government's most careful attention. It is convinced that the expansion of this industry would contribute much to the industrial welfare of Canada, and at the same time would help in some measure to provide the additional tonnage required to bring about a better condition in the matter of transportation. The commission is strongly of opinion, Mr. Hatheway dissenting, that no subsidies, bounties or other concessions should be granted to any steamship companies or to individual vessels until the whole question of transportation has been thoroughly studied, and not until

the methods of moving our grain, etc., are based upon sound and scientific methods. The commission on more than one occasion in Great Britain had the question of unsatisfactory bills of lading brought to its notice. The claim was put forward that bills of lading should be uniform, that a standard should be fixed which would be equitable to the shipper and to the shipping companies. The commission feels that this subject is one of great importance and merits the careful attention of the Department of Trade and Commerce. It was suggested to the commission that an expert official should be employed by the department to advise on shipping matters, to watch freight rates, movements of shipping, and to act as general adviser to exporters and importers on all matters connected with transportation of goods by sea.

"The commission found at all shipping points in Great Britain that there was a strong desire to encourage Canadian trade. This applies perhaps with special reference to Bristol, where the dock authorities have made special provision for handling Canadian produce and welcome every indication of increased trade with Canada. Cold storage plants of the most modern type, and grain warehouses have been erected, and the commission was assured that every possible encouragement would be given to merchandise coming from the Dominion. Hull has also made special provision for Canadian trade, and would be disposed to give every possible facility for this development. Manchester importers and exporters display the keenest interest in Canadian trade and desire that the traffic between that port and the Dominion should grow. The wonderful development of the Trafford Park Estate promises to place Manchester in a unique position for handling and storing goods. London, Liverpool, Glasgow and Belfast also encourage the development of Canadian imports and exports, and are prepared to encourage to the full any efforts which are made for its expansion.

"In France the port authorities at Havre, Nantes, Bordeaux, Marseilles, all expressed the desire that trade between their ports and the Dominion should increase. At Havre, Bordeaux and Marseilles, the commission found that special provision had been made for handling cargoes such as Canada is prepared to send to France. In these ports extensive improvements were being carried out by the harbor commissioners for the purpose of extending the facilities of the ports, in the building of warehouses and providing mechanical appliances for loading and unloading vessels, so as to reduce to a minimum the time occupied in discharge and receipt of cargo. Nantes was also visited by one of the commissioners and the same evidence of good will and desire to foster the trade between Canada and France was manifest. The commissioners are now advised that a direct line has already been established between Canadian ports and Ste. Nazaire. The main port of Italy, Genoa, was visited by the commission, which found that extensive improvements are being executed in the harbor and facilities were being provided for loading and unloading, which the port has not hitherto possessed.

"The commission feels that it can only report conditions respecting freight rates as it finds them, but it would reaffirm that it believes the question is a matter of