

Vessel Construction Act

ships were actually tied up in the port of Halifax. According to the correspondence they expect more to be tied up. That situation is developing all the time. What I want to find out is: if we are to subsidize shipbuilding in Canada, are we going to use the boats after they are built? If we are, then we have to get down to business and formulate some kind of policy to protect that industry.

I agree with the hon. member for Vancouver East that this whole question requires more study. I believe it is an item that is contentious. It is important that it should lie over and be put in the hands of a competent committee to study the thing and work out some policy with the maritime commission. Very definitely the sections of the report read by the hon. member for Vancouver East suggest that other than introducing a subsidized shipbuilding policy something has to be done with regard to protecting the industry we now have that is lying idle. I believe it should lie over and be given more careful consideration than we are able to give it at the present time.

Mr. Church: Mr. Chairman, I wish to make a few constructive suggestions to the minister in connection with national shipbuilding. We are supposed to be the fifth nation in export trade. I believe that this is a national problem because in the past water-borne traffic has never had the support of this House of Commons that rail transport has. The country has spent hundreds of millions of dollars under private ownership and public ownership of rail transport. I support the national part of this work and believe that it is correct because we are the fifth trading nation of the world.

With regard to the encouragement, construction and conversion of vessels in Canada, we are back to where we were between the two wars. When the Petersen contract was before the house I took part in the debate. That was a contract having to do with ocean, maritime and great lakes rates. In connection with that contract the advantage which this country could get by a national system of construction and conversion of ships was referred to. It will be noted that the powers of the maritime commission have been enlarged. A committee composed of officials of the government are now working out a plan. The minister announced the other day when he referred to the *Noronic* that a committee composed of government officials was working at the present moment on enlarging the powers of the maritime commission to include the great inland waterways of Canada and the great lakes.

[Mr. Gillis.]

We are the fifth trading nation of the world, and our export trade very largely depends on shipping. Today shipping is a national question. A vessel was first defined as any ship that was not propelled by oars. That is the definition that was in the shipping act not many years ago, and it was re-inserted in the shipping act of 1934. The shipping act of two years ago went through the House of Commons after a very few hours' discussion. It broadened the powers, functions and duties of the Canadian maritime commission, and also dealt with some features of the present system of assistance. The present bill, which is to encourage the construction and conversion of vessels in Canada, is a forward step; it is a step in the right direction.

I just wish to call the committee's attention to one or two facts about it. I was chairman and harbour commissioner for nearly thirty years in the city of Toronto. In that city we have not a dry dock, all the way to Kingston, the nearest one. Boats like the *Cayuga* and *Kingston* have to leave Toronto to go into dry dock. I believe these ships were built at the foot of Bathurst street. They were very big ships for that time. Their sister ships the *Corona* and the *Chippawa* were also built at the foot of Bathurst street. I was chairman of the harbour commission for some years and commissioner for twenty-seven years. At a cost of \$120 million the Canadian government erected the Welland ship channel from Port Weller to Port Colborne on lake Erie. I call the committee's attention to the fact that we have not a dry dock on the whole course of the great lakes. There is not a single dry dock, and the *Cayuga* and the *Kingston* have to go to Kingston to go into dry dock. There is no dry dock that I know of along the chain of the lakes. A magnificent ship was launched the other day at Collingwood, namely, the *Coverdale*. Mr. Coverdale was a great Canadian, born in Kingston, a former president of the Canada Steamship Lines.

Hon. members will recall that we used to have a type of ship sailing the great lakes which was of the old whaleback construction. They used to sail the great lakes and also go down to the maritimes and along the United States seaboard years ago. These ships are now taken off the lakes altogether. I do not know of any of them at the present time. As I mentioned, we have spent vast sums of money on the canal system, on the St. Lawrence and on other matters. I notice that the minister has changed the definition of conversion in the assistance given to present vessel owners, and exempts it from certain features of the Income Tax Act.