

load on an FRG flagged vessel available at Toronto harbour. Montreal authorities cited the loss of a 10,000 ton shipment to another South American destination, which was lost to the Port of Montreal as a result of intervention by the foreign national line.

**Timely delivery** was identified as an area of general dissatisfaction for Canadian shippers in Canada-LDC trades, where LDC governments enforce cargo reservation laws and regulations stipulating the use of national shipping lines. In this regard, Indian national flag requirements were cited as particularly onerous, and the service was described as poor, while delivery of grain cargoes to Africa have been unsatisfactory as a result of similar national cargo reservation requirements (Edmonton).

Vancouver seminar participants noted the current dedication of most LDC governments to policies favouring national fleet development, and their frequent adoption of **cargo sharing policies**. While it was encouraging to note for example the recent modification of Brazilian shipping policy to accommodate the interests of Brazilian trade, the general consensus of participants was that it is unlikely that the Brazilian example augured a reversal to the general trend. Recent experience with Korean imports, and the inflexibility of the Korean authorities, seemed to confirm this. (Montreal)

At all of the seminar workshops the terms of the **United Nations Code of Conduct for Liner Conferences** were described and discussed, and participants reluctantly acknowledged that the principle of cargo sharing was now legitimised in international legislation. This and the reality that national shipping legislation and regulations for many LDC's mirrored this new international standard, reinforced the views of seminar participants that modification to Canadian process is now required to cope with these new conditions, and the growing number of restrictions being encountered in international shipping. *"While we might decry the erosion of competition, Canadians should address any measure which would affect Canadian trade interests "head-on", and arm those responsible for upholding these interests with a mandate sufficient to the task."* (Halifax)

### **Need for new flexible Canadian policy**

There was a general view that government's present policy of non-intervention is not in Canada's trade interest, and leaves the way open to increased difficulties in many trades, and subsequently the loss of export markets. Seminar participants cited **the need for a strong government-industry policy response** mechanism capable of effectively defending and promoting Canadian trade interests. Some participants advocated adoption of Canadian policy which would allow officials to respond effectively and quickly to "facilitate" shipping with LDC "partners", rather than adopt "restrictive" Canadian countermeasures.

All agreed that Canada should adopt policy measures which would be sufficiently "flexible" to deal with a wide variety of circumstances, thus it would be important to arm Canadian representatives in bilateral discussions with a **negotiating mandate adequate to the task of safeguarding Canada's trade interests**.

### **Does "free competition" still exist?**

Seminar participants across the country were universally cynical regarding the possibility of free competition in today's ocean trades. However, participants did agree that in certain trades there still exists some latitude for shippers to choose among lines, levels of service and rates. The consensus among participants was that "free competition" in "a pure sense" was seldom attainable, recognizing that all trades are subject to some control either by governments or conferences. (Vancouver)

The attitude of seminar participants to the current competitive environment in shipping services was summed up best by one shipper in Montreal whose cryptic assessment was that free competition was possible, "If, and only if, you accept the existence of conferences as free competition". Similarly, the consensus in other seminars was that any definition of "free competition" had to be clearly qualified to acknowledge the rate and service setting powers of the conferences, and the control that national governments exert over ocean trades. The