

the principal is actually responsible for the damage—we still have the right to proceed against the agent, against the Canadian agent; we can do that and there is nothing to prevent the Canadian agent from joining his principal.

Mr. HOSKING: Only distance.

Mr. FINLAY: Yes, only distance; but that applies equally to us.

Mr. HOSKING: It seems to me that this Act is trying to allow the board to get their money where they could not get it before, that is, they are trying to get it from an intermediary, from an innocent bystander, so that they may collect.

Mr. LANGLOIS (*Gaspe*): Mr. Chairman, he is not an innocent bystander. What we are asking in the proposal, or what is being asked of this committee by the representations we have heard today from council for the National Federation of Shipping is that the board, the National Harbours Board, prejudice its own case, its own recourse for damages caused to its property in not having a proper recourse against the agent of the owners of the ship; and if this agent needs protection, it is up to him or the owners to provide it when they contract for this agency, between themselves.

For example, there is nothing to prevent the agent from securing some kind of guarantee from the owner of the ship, if he is to be held responsible for damages caused by the ship.

On the other hand, the same thing might be done and can be done by the owner of the ship, for any action done by his agent. It is a matter of contractual conditions between the owners of the ship and the agent, and it is up to them to protect themselves.

After all, these contracts, these agency contracts, are not entered into between the board and the agent or the owners, but between the owners and the agent. It is up to them to clarify their respective position in respect to one another and not up to the board.

Hypothetical cases have been cited here today and I wish also to cite one. Here in Canada, you have agents of ships who have no physical assets in Canada. They occupy premises which are leased from the National Harbours Board. They are agents for foreign ships. When the ships are gone—and assuming the fact the agent has no physical assets here, what recourse then does the board have for damages caused to the board's property in connection with the operation of these ships? That is why I wish to point out that by accepting the representations that have been made here this afternoon we might prejudice the position of the board and we are doing it for the sole purpose of relieving the owners and the agents from their own responsibility to otherwise protect each other as they may see fit. While I am speaking on that point, in order to clarify the matter, I might state, for the consideration of the committee, the policy of the department concerning representations. Although we are not prepared to accept and we will have to oppose any possible amendment to clause 1 aiming at the restriction of the definition of an owner of a ship by deleting the words "agent, the charterer or the master of the vessel"—

Mr. WINCH: Would you repeat what you just said?

Mr. LANGLOIS (*Gaspe*): Although we will have to oppose any possible change to the first part of clause 1 dealing with the definition of owner as suggested—I am speaking for the department and on behalf of the minister just now—we would be prepared to meet half way—if I may express myself in this manner—the request or representations made by counsel for the Shipping Federation of Canada and this could more properly be done under clause 8. We have even gone so far as to prepare a tentative amendment which would be acceptable to the department and to the board. When we come to clause 8 I will read this proposed amendment, if the committee will permit me, and