

8. • Should Canada accept a situation where foreign law creates a shipping monopoly for the national merchant fleet

- of another nation?
- of Canada?

9. • Could Canadian exporters and importers accept, in the light of today's circumstances, the need to consider the following range of approaches in order to maintain competition or at least partial competition in shipping?

Which do you find acceptable?

10. (i) unrestricted competition?
11. (ii) reservation of certain cargoes to national fleets?
12. (iii) conference monopoly?
13. (iv) reservation of fixed percentage of cargo to national fleets (Liner Code formula, i.e. 40-40-20)?
14. (v) equitable participation in trade (ie 50%)?
15. (vi) 100% cargo reservation?
16. • What alternatives do Canadian exporters/government have to satisfactorily handle this or similar situations?
17. • Would the adoption of the cargo sharing provisions of the UN Liner Code be justified?
18. — In Toto?
19. — With the Brussels Code provisions protecting intra — OECD trade?
 - How does Canada presently respond when restrictive shipping practises are encountered?

(This question may be addressed to the External Affairs representative present)

20. • Should there be a formal channel for reporting instances of restrictive shipping practises affecting trade interests?

21. • Where should it be?

External Affairs
Transport Canada
Canadian Transport
Commission

**What Approach or Process should be Recommended?
When Competition in Shipping is Restricted?**

Issue 1: Upon encountering restrictive shipping practices in another country, it would appear that several alternative approaches are available to Canada. these would include:

- (a) continuation of current Canadian practices
- (b) commercial solutions that may or may not require governmental support
- (c) government-to-government consultations to find solutions
- (d) formal negotiations designed to produce a treaty or agreement
- (e) defensive shipping policies
- (f) some combination of the above

22. Which of the aforementioned is most effective from the viewpoint of Canada's trade interest?

Issue 2:

Elaboration: Once a general approach is selected, many detailed elements must be considered, such as what guidelines should be set, what consultative mechanism should be established to obtain inputs from Canadian parties, who should be involved, etc.

23. How should the system be instituted to best reflect the interests of Canada's trade community?