

Supply—Transport

like to know what happened to the ships because although they have been sold they are still in Halifax with the exception of one which I am told is in Baltimore. Third, I am interested in knowing what has been the result of these two transfers, the transfer to the federation and the retransfer back to Canada. What has this transfer of flag accomplished? It seems to me if we are being asked to vote this large sum of money we should receive answers to those questions.

Mr. Fleming (Eglinton): Mr. Chairman, this item is designed to pay the expenses that were incurred during the past year. It is within the knowledge of all hon. members that the ships were not operated and there was consequently no operating revenue. There were expenses, however, of a rather substantial nature. They resulted in a net operating loss, representing expenses incurred of \$1,114,726, to which must be added interest on government loans of \$37,228, arriving at a net deficit of \$1,151,954. Of that sum \$790,000 had been provided in the main and supplementary estimates and consequently this further supplementary estimate of \$361,954 is required to complete the payment of the expenses for the year 1958.

Mr. Chevrier: What I fail to understand is this. If the ships have not been operating for two years how can there be this deficit? I can understand how there would be a deficit for the first year that the ships were not in operation but they have not been in operation for a period of over 20 months, almost two years. I fail to understand why there should be this deficitary position.

Mr. Fleming (Eglinton): There were layup expenses and wages of the officers of the ship who were aboard. I can give my hon. friend a breakdown. The actual layup expenses aggregate \$750,534. I can give the expenses in detail if the hon. gentleman wishes. Details of expenses are as follows:

Wages of Officers Standing By	\$ 253,778
Fuel	80,051
Provisions	19,853
Supplies	46,986
Insurance	97,723
Port and Shore Salaries and Expenses ..	239,252
Sundry Expenses	12,981

TOTAL

\$ 750,534

Depreciation on vessels	\$ 174,187
Management and office expenses	147,571
Pensions	39,237
All other expenses	3,197

TOTAL

\$1,114,726

Mr. Chevrier: Could I have answers to my other two questions?

Mr. Fleming (Eglinton): With respect to the second point I have no information as to

[Mr. Chevrier.]

the physical whereabouts of the vessels. My hon. friend has indicated that the information he has is correct. I have no further or other information on that point.

On the third point, I have no further information as to subsequent transactions following the sale by the Canadian National Steamships.

Mr. Chevrier: Could I ask the minister how many men were involved in this transaction? In other words how many men were employed on these ships? How many officers were employed? What arrangements were made to find employment for both the officers and the men?

Mr. Fleming (Eglinton): Mr. Chairman, I have not got the precise number of officers that were engaged. I understand that all the officers of the ships carried on. Whether any men in addition to the officers were included, I do not know. If my hon. friend wishes that information I shall be glad to obtain it for him from Canadian National Steamships.

The other question raised by the hon. member was as to what provision is being made for these officers. They are being absorbed into the Department of Transport as openings occur.

Mr. Chevrier: The minister says that the officers were carried on but that is a misstatement of fact. I have correspondence from a number of officers who have not been carried on and who have been complaining very bitterly.

Mr. Fleming (Eglinton): Are we speaking of different periods? I was speaking of the period of the layup. I thought my hon. friend was asking about the number of persons carried on the payroll in the period of layup. I gave a figure for wages to officers standing by of \$253,778. I thought that was the period to which my hon. friend was directing his question but apparently I misunderstood him.

Mr. Chevrier: I was directing my attention to this. How many officers and men were employed on the Canadian National Steamships—

Mr. Fleming (Eglinton): At what period?

Mr. Chevrier: Now. They have lost their jobs. I thought this item referred to March 31, 1959 but the minister tells me it relates to the calendar year 1958. What has happened to the officers and men during the whole of 1958 when the ships were sold? It is a fact that these crews were laid off and so were the officers. What has been done by the Canadian National Steamships or the Department of Transport to find employment for both the officers and the crew?