

*Vessel Construction Act*

kind. I say again that I never oppose a measure here if I can, with good judgment, support it. It does not make any difference whether that measure is brought before the house by the government or by some party in the opposition. As a matter of fact, I think the whole party follows that policy. We always try to support a measure on its merits. It is for that reason that I say that the Minister of Transport has put the members of the opposition in a difficult position or at least those from port cities and representing constituencies such as the one I represent.

I do not think there is anything more I need to say at this stage. I may want some information when we are dealing with the various clauses.

**Mr. Gillis:** I think the hon. member for Vancouver East has stated the case fairly well. I also am interested in this particular bill because I too come from a part of the country in which there are a great many ports. At this particular time, when everyone is in a rush to get away, I cannot understand either why the Minister of Transport brings in a matter as contentious as this one. The hon. member for Vancouver East suggested the only two reasons why this measure could be supported, namely, for security and to provide faster vessels. While the minister takes the position that we could discuss this matter when the proper item is before the committee, in my opinion we cannot divorce this question from the general question of shipping.

The situation in Canada today certainly does not warrant the building of ships unless we are going to use them. I think perhaps every member of the house is receiving correspondence from reliable people who are engaged in this industry; for example, from the naval association of Canada. Many of the officers and men who served in the navy during the war went over into the merchant marine. Shipping in Canada today is at the point where our ships are being tied up from port to port. I have on my desk a letter and a resolution dated November 29. In that letter and resolution, a copy of which was sent to the government, it was pointed out that at the present time in the city of Halifax fifteen deep-sea ships are tied up because of the lack of cargo. That resolution sets out that the ships that are now engaged in that business are being tied up from port to port because of lack of cargo. The reason they cannot get cargo is that they cannot compete with the ships that were bought by Canadian companies, sold to foreign countries

and are now actually operating from Canadian ports in direct competition with Canadian shipping.

One example that is set out in the correspondence is that of one company which was offered a raw-sugar cargo to Cuba at twenty-five cents a hundred pounds. They could not take it. They said that it cost them twenty-eight cents to load it and unload it without hauling it at all. They therefore had to turn the offer down. A Swedish company takes that cargo and displaces Canadian shipping. When that 50,000 tons of iron ore was to come in to Montreal from Sweden, the Swedish government took the position that it was to be hauled by Swedish bottoms only. According to this correspondence, foreign shipping is replacing coastwise shipping in Canada. On another occasion, at the last session, I had the argument with the minister that foreign ships were doing that. He told me at the time that they were not permitted to do port-to-port trade in Canada, with the exception of British ships.

According to the correspondence from that reliable organization representing that trade, foreign ships, actually flying foreign flags, are doing port-to-port trade along the Canadian coast and displacing our own ships. We had better make up our minds whether we have a shipbuilding policy or not. Other countries are protecting their own bottoms by a proviso, as the Swedish government did with that 50,000 tons of iron ore, that it would have to be carried by Swedish bottoms. If we are to provide a subsidy for shipbuilding we have to make up our minds whether we are going to use the merchant marine, or use the boats, once they are built. Actually what the resolution that I have is asking at the present time is that the government subsidize the present industry so that boats now tied up in harbours may be able to continue to operate. We have to face up to the question as to what we are going to do with regard to competition.

A lot could be said on this question. I appreciate the minister's position in wishing to lay it over, but it is tied up with shipping. I see that the senior hon. member for Halifax is back in his seat. I was pointing out that in correspondence that I have, on the 29th of last month fifteen ocean-going ships were tied up in the port of Halifax owing to lack of cargo.

**Mr. Isnor:** I had already brought that to the attention of the minister.

**Mr. Gillis:** I did not hear the hon. member mention the number of ships. The hon. member for Vancouver East read some clippings into the record showing that fifteen