

Mr. HOWE: The government has given serious consideration to maintaining our shipyards, and we think we are all right for a year or eighteen months, perhaps longer. Next summer we shall have to look at the succeeding year and see what are the requirements. Our shipyards are fairly active. They have had no trouble in closing contracts at the moment. They are building ships for South American countries and for one or two European countries, and they are tendering for work for other European countries. I would say that at the moment we are competitive, but we lack two things. We lack operators who have experience in the trades mentioned by my hon. friend, and we lack experienced designers. That is our great handicap in competing with yards in the United Kingdom where they have large staffs of experienced designers who can take an owner's requirements and work out a ship to suit him very quickly, and most likely sell him a ship. If we have a weakness, it is a weakness in design but we are taking steps to correct that to a certain extent; it cannot be wholly corrected. The government intends to give the shipbuilding industry all the help it can and to cooperate with the industry to put it on a permanent basis.

Mr. GREEN: Are the manning pools being maintained by the government?

Mr. HOWE: The manning pools have nothing to do with the operation of Park ships; they are to take care of the men while they are ashore and to help in ensuring sufficient men to man the ships. Whether they will continue to be a necessary or desirable adjunct to Canada's shipping I cannot say, but I think there is no intention at the moment to change the situation.

Mr. GREEN: Are there any plans under contemplation for the training of youngsters for a career in the merchant navy?

Mr. HOWE: That would come under another department. Transport operates the manning pool and the Minister of Labour trains the youth.

Mr. FERGUSON: I was interested in the minister's remarks. In Collingwood, which is in my constituency, is a shipyard. On Sunday I attended a meeting of the union in that shipyard. Employment is down to about 400 from a peak of 1,200. I hope I shall be able to send these men copies of *Hansard* with the minister's answer, showing why he thinks the shipyards will be able to continue to work. Then these men may be able to stop drawing unemployment insurance as they are at the present time. It would be a good investment

for the government to employ designers from the old country so that our shipyard at Collingwood will not go down, as it did after the last war, to seven watchmen with 1,500 people on relief, in 1939. Certainly labour in Collingwood has no idea of the marvellous expectations of the Minister of Reconstruction, and I should like to have a reply to my question which I can send to these people who are thinking of their families.

Mr. HOWE: I think the operations post-war will be much more satisfactory than the operations pre-war.

Mr. FERGUSON: I hope the minister is correct in his assumption. A few minutes ago he said that he believed we would not have a recurrence of this condition. Would the minister mind putting on the record why he believes that?

Mr. CASTLEDEN: The minister gave the formula for the disposal of ships built in 1944; ships that cost \$1,300,000 or \$1,400,000 have been disposed of for \$600,000.

Mr. HOWE: About that.

Mr. CASTLEDEN: What would be the formula for ships built in 1945 and in 1943?

Mr. HOWE: The difference is in the depreciation. The base price for a ship built in 1945 would be \$625,000. I would be very glad to bring down the formula although it is rather complicated. It applies not only to the 10,000-ton ships but also to the 4,700-ton ships.

Mr. CASTLEDEN: What would the price amount to?

Mr. HOWE: For a ship built in 1945, \$625,000.

Mr. CASTLEDEN: A ship costing how much?

Mr. HOWE: They run between \$1,300,000 and \$1,400,000.

Mr. CASTLEDEN: And a ship built in 1943?

Mr. HOWE: There would be some depreciation; perhaps around \$550,000.

Mr. BLACK (Cumberland): Am I correct in understanding the minister to say that in the disposal of these ships the restriction is imposed that they must continue to be operated under the Canadian ensign?

Mr. HOWE: That is right.

Mr. ADAMSON: A ship loses fifty per cent of its cost the first year, a further fifty per cent of that fifty per cent the second year, and then it goes down on a logarithmic scale.