

These British tramp steamers are not enrolled in the Canadian Shipping List, and when trade on the Great Lakes is very dull, they can go back to the ocean, as they are all fitted with salt water appliances for their boilers. They are usually old steamers, too small for the trade they were originally intended for. It suits their owners therefore to rush them in upon the Canadian lake trade when it is good, and thus assist in cutting freights for the Canadian-built ship.

Up to the present time there are only about twelve Canadian-built steel vessels in operation, and four or five under contract to build, while in the lake region of the United States there are thirty times as many under construction and contract.

When a Canadian shipping firm wants a ship they will ask one of the Canadian shipyards for a price, and as the Canadian yard is paying about the same wages to its men as are paid in the United States, and the material costs a little more than in the United States, it has to ask about the same price. If the Canadian shipowner be not satisfied he then asks for a price in Great Britain, where labour costs much less. The Canadian shipyard knowing this, if it desires the contract, must offer to build the ship for little or no profit, otherwise the order will be placed in Great Britain. Often this has been done. Vessels have been built in England and cut in two at Quebec, or Montreal. They are then taken up the canals in two halves and put together again at some yard in the United States. Another source of competition may arise from the purchase of old vessels built in the United States on which a small duty only is paid. Or still another is the hire or purchase of British tramp steamers, all of which work against the Canadian shipyard.

In building a Canadian steel ship, about one-third the cost is in the iron and steel as it comes from the mills, and the other two-thirds is labour. May we not look forward to the time when all the material will be made in Canada as cheaply as in Great Britain, or elsewhere.

When one considers the cost of maintaining the aids to navigation from the entrance to the gulf of the St. Lawrence to the International Boundary line on Lake Superior, in Minnesota, it is obvious that a much larger fleet of vessels should belong to the country which pays the cost of these improvements.