

*West Indies Trade Agreement*

Mr. BENNETT: That is not the point. I have read that.

Mr. DUNNING: My hon. friend knows perfectly well that that involves the scrutiny of parliament of every detail in connection with these contracts.

Mr. BENNETT: After the event.

Mr. DUNNING: After the event, of course. With regard to calling for tenders, it was plainly stated the other evening that that would be the course pursued, only I am not at all sure that we should do otherwise than the Canadian Pacific steamships, for instance, or the Royal Mail Steam Packet would do—

Mr. BENNETT: They always call for tenders.

Mr. DUNNING: But they would not advertise, not in the Vancouver papers. They would address their call for tenders to shipyards which they knew could produce the goods.

Mr. BENNETT: That is right.

Mr. DUNNING: They would not advertise in the newspapers as my hon. friend suggests.

Mr. BENNETT: In the trade journals.

Mr. DUNNING: There would be notice there, and I can assure my hon. friend in the most positive terms that such a course will be followed whether this act is amended to provide for it or not. To use in the act language having the effect of calling for tenders might imply more than is intended. There is no intention to advertise generally, nor to ask for tenders from any concern which is known not to possess the facilities to enable it to build ships. I have no doubt at all that if any Canadian shipyard, which hon. gentlemen opposite believe might be able to build ships, is not given an opportunity to tender we shall hear about it. It is our intention to give to all Canadian yards that could possibly do the work a chance to tender.

My hon. friend spoke of German yards, and I may tell him—although he is not listening to me just now—that it is not our intention to call for tenders from continental ship builders. I made that clear the other evening. We do however intend to assess properly the differences between British prices and Canadian prices as submitted to us by shipyards in Canada who consider themselves capable of doing the work. But I must say that if a shipyard in Canada, which the officers of the merchant marine and those engaged in this business for us consider is not capable of producing ships,

[Mr. Dunning.]

tenders at a lower price than others whom we know to be capable of doing the work, then we shall have to exercise our best judgment, just as any business concern does under similar circumstances. Of course, in such a case we shall have to take the responsibility for our position. I appreciate that fully.

I do want to impress upon my hon. friend that we intend to be fair in the matter. The language I used the other night was that it was our desire that as much of this work as possible should be done in Canada, having regard to all national considerations which ought properly to be taken into account in matters of this sort. Among those considerations I include the factor which has been mentioned as applying to steamship companies that find it necessary, in order to compete on the high seas, to buy their ships in the cheapest market. We must have regard to that factor and we cannot properly decide, on the one hand, between the work to be given to Canadian yards and Canadian workmen and, on the other, the necessity of which my hon. friend spoke, of being in a position to compete on the high seas, until we have before us comparative figures which can be secured only by tender from the British and the Canadian shipbuilders respectively, for each one of the ships in question and, as the Minister of Trade and Commerce points out to me, not only each ship but also, one, two, three, four and five from each yard. This is our intention with regard to the matter and I trust that my assurance will relieve my hon. friend's mind and obviate the necessity of moving an amendment, which it might be rather difficult to draft having regard to what it is necessary to do under the circumstances.

The CHAIRMAN (Mr. Power): Shall section 2 carry?

Mr. STEVENS: We have not passed section 1 yet, Mr. Chairman. We must not allow these little matters to go through so easily.

Mr. CANTLEY: The minister the other evening referred to a proposal to equip as oil burners two of the vessels now engaged in the West Indies trade.

Mr. DUNNING: Yes.

Mr. CANTLEY: I think the department is making a grave mistake. The cost of fuel oil has advanced greatly within the last two years, so much so that many ship owners who installed oil burning equipment in their boats are reverting now to coal. If the minister inquires he will find that the cost has gone up