

Hon. J. S. McLENNAN: Honourable gentlemen, I might recall to the House that a couple of years ago, or perhaps earlier, I made some remarks in reference to shipping, which tended to show that it was inadvisable for Canada, as Canada was then circumstanced, to attempt to encourage shipbuilding by the ordinary processes of a bounty on yards or a bounty on tonnage produced. The scheme presented in this Bill seems to me to involve none of the disadvantages which are connected with the ordinary schemes for the promotion of shipbuilding.

I did not understand the honourable leader of the House to say exactly what was attributed to him by the honourable leader of the Opposition, namely, that this measure was introduced in order to keep some 25,000 men employed and certain yards busy. At a time when there is need for thousands and tens of thousands of men in Canada, it would be foolish to spend any of the country's money, or even to embark the credit of Canada in trying to find work for them in that particular way. The situation, it seems to me, is this. Canada in shipbuilding, as in the manufacture of munitions, displayed an extraordinary and unlooked-for ability, both as to the volume and the cost of production. My honourable friend on the other side who shakes his head has had some experience in this connection and knows that a great proportion of the munitions produced, the last part of them, was produced in competition with all the manufacturers of this continent; namely, that part supplied by Canadian firms to the American Government. But be that as it may, we have shown that we could build ships, at all events, vastly nearer the cost at which the English yards, the best in the world, were producing ships. The cost in Canada was astonishingly near that of the English yards.

What Canada is doing to-day is giving an opportunity to anybody, particularly any foreigner, who wants to build a ship and who will find 50 per cent of the cost of it. The Government will finance the other 50 per cent of the cost, for say about three years from the time of the completion of the vessel. The Bill says 57 months. Well, the vessel would take one year anyway to build. That would mean, at the most, something under four years that the Government would be carrying that particular burden. It seems to me that the provision of that 50 per cent would be substantial assistance, and that the shipbuilding yards in Canada would produce ships at a much

better cost, as compared with English costs, than any firm that now has an opportunity of taking part in the work and getting business. If there are any French people, or any people in some other European country, who want to build ships and can find 50 per cent of the money, we will finance the other 50 per cent.

I cannot agree with my honourable friend the leader of the Opposition as to there being a parallel between the guaranteeing of railways and the guaranteeing of ships. The railway is built under a guarantee, and if there is not sufficient traffic between the two terminal points on that railway to make it pay, the guarantor will be called on—the country will lose. If this Bill is enforced you will get the ship for 50 per cent of the cost, and that 50 per cent will be reduced every few months that the ship is available for trade in any part of the world.

Shipbuilding has been extraordinarily successful during the war; but it must also be remembered that for six or eight years before the war the shipping trade of the world was enormously profitable. It must be profitable in decreasing degree if we are to get onto a sound basis, but it seems to me that within the time for which this guaranteeing is done—if, as the honourable leader of the House says, these contracts are carefully entered into—there is a reasonably good prospect of building up and strengthening the shipbuilding industry in this country with the minimum of risk to its people.

Hon. J. G. TURRIFF: Honourable gentlemen, I wish on this occasion to put myself on record as being absolutely opposed to any proposition of this kind. You would think, when we are asked to guarantee money for building ships for France and other European countries and for people who want ships at home, that Canada was in a beautiful position, ready to lend money to anybody if the security was at all good. It looks to me as if the Government were embarking upon a policy simply to help out or to keep up the big interests that were started during the war, when conditions were not normal. This is exactly along the line of giving \$25,000,000 to Greece and \$25,000,000 to Roumania. It is all very well giving out the money, but sometimes it is a very different matter to get the money back.

My honourable friend (Hon. Mr. McLennan) who has just taken his seat