

at least in its early stages, to the building of a commercial marine. That is one method that can be employed, and it has its disadvantages. In the first place, a vessel that you subsidize by tonnage construction subsidy may be in your employ a year after the vessel is built or it may be sold and be in some one else's employ thereafter. This is liable to happen unless you hedge the subsidy around with conditions requiring that the vessel shall make itself available for Canadian trade, and that stipulation is difficult to append to a simple tonnage subsidy agreement.

There is a scheme which has been adopted and which has in it, I think, a good deal of merit; I am going to give the outlines of it this afternoon, but I shall first call attention to what the United States Government is now proposing. Last year a Bill was introduced in the United States Congress for the promotion of shipbuilding in the United States. This year the Bill has been modified, and the lines of the present Bill, which has the administration behind it, and is being pressed in the United States, are something of this kind: an appropriation of \$50,000,000 is to be made and secured upon Panama canal bonds; that \$50,000,000 so secured is placed in the hands of a committee, or commission, consisting of certain members of the United States Cabinet, a naval architect and other persons chosen by the President, with the assent of the Senate, and these men so selected are to be thoroughly conversant with shipping matters and shipbuilding. This governmental commission is in charge of shipbuilding under this scheme. It says what kind of vessels shall be built, how they shall be built and their tonnage, and it has general direction over such matters. The shipbuilding which is carried on under this scheme—and this includes purchases of vessels—is subject to these conditions. This commission shall have charge of shipping matters so far as they relate to that proposition, and they have also the right to license vessels trading to the United States and to control rates as far as possible. That \$50,000,000 being at their disposal, they may enter into contract with parties to build or purchase vessels in the United States, and to purchase vessels outside of the United States, these vessels to be placed upon the United States register of tonnage and to become United States vessels. Entering into contract with these parties for the pur-

chase or building of ships, the commission is empowered to subscribe stock to these ships, in building or in purchase, taking care always to have a majority of the stock so as to enable them to keep the control. On that basis the whole proposition, outside of the financial aid which is given, looks at the acquisition by the United States—by building in and out of the United States and by purchase out of the United States—of vessels on certain standard lines, which vessels shall be built or purchased and operated under the regulations of this commission. They have also in the United States a mail contract law, by which vessels of twenty knots and upwards get \$4 per mile on approved routes for carrying the mail, while vessels of sixteen to twenty knots get \$2 a mile. These are the propositions which are to-day before the United States congress looking to the upbuilding of a commercial marine in that country.

The Chamber of Commerce in New York, which is a very influential body, has criticized that scheme, and has put forward another scheme. I purpose giving that scheme in brief to the House this afternoon, and in order to bring it down directly to ourselves I will translate it into the form it would take if it were applied to the Dominion of Canada. Applying to Canada that scheme, which was debated and unanimously approved by the New York Chamber of Commerce, it would work out something like this: You would appoint in the Dominion of Canada a commission consisting, we will say, of three members of the Cabinet whose departments are interested—for instance, Commerce, Navy, and Finance. The Government side of that commission would be the ministers of these three departments. Add to these a naval instructor and three practical and experienced men in shipping matters, selected by the Government, and you have the commission which would operate in Canada. That commission would have general oversight and direction of the classes of vessels to be built under the scheme; how they should be standardized, how they should be manned, everything in connection with them, and, to the extent that it would be possible, the regulation of the rates as well. That committee would then be empowered to enter into contracts with shipbuilding companies, to build according to the plans and regulations laid down in Canadian shipyards, and the builders of the ships would be allowed the difference between the cost