

Cargo reservation/national line requirements have also forced some companies to become involved directly in the maritime transportation industry solely to overcome difficulties in getting their product to market, efficiently and at a competitive price. In order to secure adequate ocean transport services one company interviewed went so far as to purchase a shipping line which in its fleet has a single national flag vessel of one of its principal LDC customers. Through the purchase of this shipping line the Canadian exporter was able to gain access for this fleet to the bilateral shipping trade with its LDC partner and thus, to a certain extent, maintain competitive rates in this particular shipping market. This extreme response was determined to be necessary only after all previous attempts to obtain waivers to use competitively priced alternatives to the LDC national lines had proved futile.

In the face of these problems arising from restrictive measures and the absence of a strong Canadian government reaction, Canadian companies have essentially two choices. They may either entirely abandon a particular market or conversely they may resign themselves to accommodate foreign laws and regulations.

These examples illustrate the types of problems encountered and the lengths some exporters are forced to go to maintain access to efficient, competitively priced shipping. Some of these remedies are available only to a few very large companies with a high volume of traffic and financial reserves to match. They are not viable alternatives for the vast majority of companies and serve to highlight the impotence of small and medium sized shippers when faced with LDC governments committed to discriminatory and restrictive shipping policies.