

To - WLMX

Ottawa, June 18, 1930.

MEMO:

*Practical aid to unemployment -
consideration method of dealing with same.*

Re Prince Edward Island Car Ferry.

*Payment -
problem.*

In accordance with the recommendations of the Royal Commission on the maritime claims, a new ice-breaking car ferry steamer is being constructed for the Prince Edward Island car ferry service.

The original ferry on this service was constructed in England and, while consideration was given to the possibility of having the present boat built in a British yard, it was decided, in view of the industrial conditions obtaining in Canada at the moment, to restrict the call for tenders to Canadian shipyards. Our engineer's estimate of the cost of the vessel was \$2,320,000. Seven Canadian Shipbuilding Yards were asked to tender, and three tenders were received as follows:

| | |
|---|-------------|
| The Davie Ship Building and Repairing Company, Limited, Lauzon, Levis, Que. | \$2,112,600 |
| Halifax Shipyards, Limited | 2,215,000 |
| Canadian Vickers, Limited | 2,410,000 |

The tender was awarded to The Davie Ship Building and Repairing Company.

No British firms were asked to actually tender, but Cammel Laird stated that they would be willing to accept the work for £224,000 or \$1,090,000. The lowest Canadian tender was, therefore, 100% higher.

The value of British materials which will have to be imported for the ferry is \$335,000, or 15% of the contract.

The new steamer will be oil burning, it having been found that the saving in annual operating charges by the use of oil as opposed to coal will amount to \$99,900. The new steamer will be 324 ft. long, 59 ft. beam, and have three tracks to accommodate 16 freight cars, and deck accommodation for 40 average size motor cars, in addition to passenger accommodation. The contract calls for delivery June 1, 1931. The present ice-breaking car ferry is 300 ft. long and 52 ft. beam. It has two tracks to accommodate 12 freight cars, in addition to passenger accommodation. It has no special accommodation for motor cars, which must be shipped on board on flat cars. The draft of the two vessels is 19 ft. 6 in.

In addition to providing the new car ferry, it is necessary, because of the larger size, to reconstruct the terminals at Borden and Tormentine. Contract for this was let on September 25, 1929 to J. W. Stewart, Limited, Montreal, for \$734,976.13. In addition, a contract has been let to the Horton Steel Works for a 60,000 gallon steel oil tank at \$6,850. The total cost of the improvement of connections with Prince Edward Island will amount, therefore, to \$2,854,426.13.

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