Again, suppose that the only shipbuilding plants left in Canada were those established to do naval construction and that alone. Whenever accidents happened in the vicinity, these yards would be tempted to bid for the repair work; they might, indeed, be asked to do it. *That would mean taking men off the warships, to put them on the repair jobs;* and if the government were in a hurry for its warships a conflict of interests would ensue. In short, if the yards do naval business and other new construction the result will be unsatisfactory. If, however, government policy proceeds on the double line of ordering naval vessels and encouraging mercantile construction, the industry will expand more rapidly, will be in a more healthy condition, and will the sooner be able to quote low prices to the government. There would be a wide difference in the efficiency of a yard which had in hand a cruiser, a government surveying vessel, an Ad. lty tank steamer or collier, some repair work and nothing else, and a yard which in addition to the foregoing had several merchant ships under construction; the addition of the merchant vessels would give the elasticity of staff as between government work and emergency repair work.

Direct Aid Elsewhere

Finally, the attention of the government may be called to the enormous extent of subsidies, bounties and other forms of direct aid to shipbuilding and navigation elsewhere. In 1909 Mr. E. T. Chamberlain, United States Commissioner of Navigation, reported that the several powers aid their respective systems of water transportation to the extent of nearly $50,000,000; the exact figure was $46,907,220.*

Conclusion

Your memorialists submit that they have made out a case which calls for government action. The situation is that the naval policy of the government makes it necessary for it to consider the question of naval shipbuilding at the moment when the circumstances of the existing mercantile shipbuilding industry have become unbearable. The mercantile industry, as already observed, has reached a point where it must either

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*For particulars see Appendix A.