

Mr. STEVENS: Within the last week the Japanese Government has offered \$225 a ton for steel ships.

Mr. A. K. MACLEAN: That is quite true, and I know of the British Government paying nearly \$200 a ton for shipping, at a time when tonnage could be purchased in the United States for \$140 or \$150. Those are exceptions which do not prove the rule. At the present moment the Government has not entered into any contract for the construction of wooden ships, as I understand. A contract was entered into, but the contractors failed to carry out the contract.

Mr. REID: And the contracts that were entered into were for less than \$100 a ton.

Mr. A. K. MACLEAN: The contractors could not carry out their contract, claiming that the price was too low, and now they want \$125 a ton for wooden ships, and are unwilling to give a guarantee positively for construction within any reasonable period. Wooden shipping is not the kind of tonnage which this Government should purchase if they are going to operate a line of steamships between the Pacific and Atlantic coasts, it would be far better to pay an additional initial cost of \$50 or \$60 a ton, than to buy wooden ships at \$125 a ton, because the ships must pass through tropical waters, where their bottoms are subjected to attacks of all sorts of worms and insects which infest those waters, and which are more or less destructive to wooden shipping.

If a government owns wooden shipping, there is no end to the capital expenditures which commence the first year after construction. It would be infinitely cheaper, if we are going into this business at all, to enter into contracts for the construction of steel ships. I would not do even that; if we wish to encourage interprovincial trade via the Panama canal, it would be far better for us to pay a reasonable subsidy to some steamship company that was willing to make an investment and go into this work.

Mr. REID: That cannot be done because no one will undertake it.

Mr. A. K. MACLEAN: They may not do it at the present time, but it will be a long time before the Government receives delivery of these wooden ships, and there is no trade now between the Atlantic coast and the Pacific coast.

Mr. REID: There is.

Mr. A. K. MACLEAN: I doubt if there is at this time. I would like to see a steamship line operating between the Pacific coast and the eastern coast of Canada, but it would be better to have such a line owned and operated by a private company, because a private company could go where they liked for traffic. There is, however, no business for a line of steamships to-day between British Columbia and the Maritime Provinces. The Minister of Customs spent eight days in British Columbia amongst his political friends, and I have no doubt he was pressed quite strongly by them to do something of this nature. He confessed to us that what he was pressed to do was to appoint a customs officer at New York. The people of British Columbia have been wanting that for a long time. Personally, I have not been able to see any substantial objection to that.

Mr. REID: That is what I say.

Mr. A. K. MACLEAN: To get out of it, the minister says he developed this theory about the building of wooden ships. It was a shame that he should have allowed the Minister of Railways, for two or three hours this afternoon, to battle with hon. members on this side in defence of his scheme. The Minister of Customs should have spoken before recess. He speaks about the traffic these two ships would get between the East and the West. It is true that some traffic might be developed between the eastern and the western ports of Canada by means of a steamship line of this nature—I would hardly be an authority on that point. The hon. gentleman speaks about wood. Very little wood would go to the Maritime Provinces from British Columbia, because in the Maritime Provinces we produce more than enough for ourselves; we are exporters. New Brunswick, for instance, is a very heavy exporter of lumber to the European markets. We frequently require heavy timber from British Columbia, but the total purchases during a year would not amount to very much and the shipments are usually brought to the Atlantic coast by rail. That would be much cheaper than bringing it by water, because one would never want to bring a whole shipload of timber from the Pacific coast to the Atlantic.

Mr. STEVENS: Shipload after shipload of timber has come from British Columbia to the Atlantic coast of Canada—35,000,000 feet was brought to Toronto on one order