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SHIPBUILDING IN CANADA.

No iron or steel ship has ever yet been built in Canada, the plates, angles, beams, etc., of which were made in Canada. A few as fine ships as ever floated have been built here, but of imported material, which shows that we have the skill to design and the ability to execute ; but we have never yet had, nor do we now have the facilities to convert the original raw materials into completed ships. The raw materials necessary in the construction of a ship are not the plates, angles and beams, but the iron ore found in such abundance in so many places in Canada. The processes of evolvement begin at the moment when the ore is taken from the earth, and every process of its development from that time until it arrives at the shipyard implies labor. The question for Canada to consider is, our iron industry having been advanced as far as it has been, if it should not be carried a couple of steps further, one in the production of plates, angles and beams, and another in the utilization of them in shipbuilding. We now mine our own ore, convert it into pig iron, from which we make certain forms of steel, and there can be no reason why these processes should not be continued to the end desired. It all means the employment of Canadian labor and capital in the development of Canadian resources in a direction calculated to lift Canada to a plane occupied by the most advanced and prosperous nations of the earth.

The shipbuilding industry in Canada labors under a very peculiar disadvantage in that any vessel having British registration has free access to our domestic trade. This is imposed upon us by the British North America Act, and while it operates strongly against the development of shipbuilding in Canada, there is a feature of it which should be investigated, and if possible, remedied. We raise no objection to the free entry of British built ships owned by British subjects, but we see a great injustice in a law that allows a foreign built ship to obtain British registry simply by sailing into a port of a neighboring British colony, making a perfunctory declaration, paying a small fee and being metamorphosed into a British ship with British register, for the special purpose of avoiding a Canadian law. This condition was not very long ago exemplified in a case where a steamer was built in the United States with Canadian capital, to ply on exclusively Canadian waters, and, to avoid the payment of the Canadian duty was sent to a port in Newfoundland where British registry was issued to her, whereupon she was returned to Canada and employed in Canadian trade, to the manifest injustice of the Canadian shipbuilding industry. If we must admit free entry to British ships let the law be so amended that only such ships as are constructed in British shipyards for British subjects be included in the privilege.

Another and very important phase of this question of the employment of foreign built ships in entirely domestic trade was recently presented to the Government by a delegation of shipbuilders, representing the Bertram Engine Works Co. and the Polson Iron Works Co., of Toronto, and the Collingwood Shipbuilding Co., of Collingwood, Ont., who showed that according to a recent judgment of Justice Burbidge, in the Exchequer Court, it appears that the item of the tariff relating to foreign made ships of other than British registration is of no effect, and that consequently such ships are free of duty. The Algoma Central Railway Co., one of the Clergue corporations, with headquarters at Sault Ste. Marie, Ont., registered the steamboat Minnie M. at that port. The customs collector there demanded $3,500 duty, because the vessel was of American make and had no British registration. British registration could have been obtained at the cost of a voyage to another British colony, namely, to Newfoundland, but that method was not resorted to. The duty was paid under protest, and the collector, who is authorized by the imperial acts operative in Canada to grant registration papers, issued the necessary documents. Proceedings were begun by the Algoma Central company to recover the duty, and were successful. The Exchequer Court ordered the money to be returned. This finding was not due to any conflict between the Canadian Customs Act and the British shipping laws, but entirely to the defect of the Canadian statute to express its intent. The fourth section of the Tariff Act provides that "there shall be levied and collected" duties as set forth in the schedule following upon all "goods enumerated" or "referred to as unenumerated," when "such goods are imported into Canada or taken out of warehouse for consumption therein." The provision to impose the duty ought, Justice Burbidge considers, to be embodied in the schedule instead of being cut off from it. A ship does not come within the definition of goods as given in section 3 of the Tariff Act ; "neither," says the judge, "can a ship with propriety be said to be imported, and it would be absurd to refer to it as taken out of warehouse for consumption in Canada." Therefore, he held, while "it was the intention of parliament to impose the duties mentioned in the schedule, no authority but parliament could supply the omission and make