

Germany Votes Aid to Shipping

The text is now available of the ship subsidy bill recently passed by the Reichstag. By this measure Germany hopes to effect the restoration of its merchant marine. An initial appropriation of \$75,000,000,000 is provided for. The bill is as follows:

1. The Imperial Chancellor shall be authorized to pay subsidies to the owners of ships and property destroyed or lost, or considerably damaged through the action of foreign governments since July 31, 1914; to pay subsidies to cover the expenses of laying up or internment ships, including harbor dues, wages and maintenance of crews, provided that such interned ships have been seized in a German colony or foreign country, or prevented from fulfilling their normal voyage.

Considerable damage shall mean damage the repairing of which will cost 50 per cent of the pre-war value of the ship.

2. The Imperial Chancellor shall be authorized to recompense the loss of private property.

3. The subsidies shall be calculated on the proved claims of owners and crew before the Shipping Compensation Commission.

An imperial law shall be later presented with regard to whether and in what degree the State shall share in the profits of ships constructed under this law, and as to the restrictions which may be imposed on the operation of these ships.

4. A special commission shall be appointed to hear and adjudge the claims, from whose decision there shall be no appeal.

5. In the event of the owner of the ship receiving a subsidy, and subsequently being paid compensation under an insurance contract, the insurance shall be paid to the State; should compensation be received from a foreign country, then the amount of the subsidy shall be reimbursed to the State therefrom.

6. Should a ship for which a subsidy has been paid be eventually restored to the owner, then the amount of the subsidy shall be repaid, or the owner shall pay an annual interest of 5 per cent, and amortize the total within a period to be fixed.

7. No ship on account of which a subsidy has been paid shall be transmitted to foreigners or to foreign companies, or to Germans residing or having their place of business abroad, within ten years after registration without the consent of the Chancellor; nor can the ship be chartered to foreigners either on time or cargo space, nor any portion of the space so far as regards voyages between foreign ports. Permission may be given for such sale or charter only after repayment of the subsidy received. The penalty for breach of this clause shall be three years' imprisonment, and, or a fine of Rmk 50,000, provided that no more severe punishment can be inflicted under another Act. An attempt to contravene this clause is equally penal.

8. The commission appointed under Clause 4 shall consist of seven members and seven deputies, of whom one member and one deputy shall have held high legal office. They shall be nominated by the Chancellor and approved by the Bundesrath, which shall nominate the president and vice-president. A quorum shall consist of five, of whom one shall be the legal member or his deputy. Decisions shall be by a majority, and the president shall have a casting vote. Each member shall vote independently. The method of procedure shall be that the commission shall take evidence on oath and shall have power to call any witnesses, experts or other persons whom it may consider necessary, as also to order the production of any documents. The legal members of the commission shall act as legal assessors to the same.

9. All costs and expenses of appearing before the commission shall be borne by the State, except in the event of a false claim being made.

10. The proceedings before the commission shall be strictly secret, and all witnesses and other persons shall take oath of secrecy.

11. Further regulations for the application of the law may be added by the Bundesrath or the Chancellor.

12. The annual expenses caused by this law shall be estimated in the Imperial budget.

For the financial year 1917 a sum not exceeding Rmk 300,000,000 may be expended from the funds to the credit of extraordinary war expenses account.

1. The subsidies payable under Clause 1, Section 1 of this Act shall be used for the obtaining of ships, which shall serve for the carriage of cargo. The subsidies may only be used for the construction of passenger steamers, if such steamers be provided

with a considerable amount of cargo room. Shipowners shall be allowed to divide the total amount of tonnage of all their lost ships among the new ships, according to their own wishes. If new ships have, since July 13, 1914, been bought or built to replace ships affected under the terms of this law, they shall be subject to the same conditions as replacement vessels to be constructed or bought in the future.

The compensation for considerable damage to ships shall be devoted to the repair of such ships, unless the ship shall as the result of such damage be irremediably injured.

2. The scale of compensation shall be the value of the ship lost as at July 31, 1914.

In the event of the cost of the replacement tonnage exceeding the building price which would have been paid at July 25, 1914 (peace construction price), additional grants shall be made to meet the extra cost. These grants will be dependent on the construction and economy of the ship; on the financial conditions of the owners; the age of the ship lost; and on approval of the contract price. They shall be paid, either at the delivery of the ship or on its transfer to German registry. The proportion of this excess cost payable by the State shall be:

(a) From 50 to 70 per cent for ships delivered in from 1 to 4 years after peace.

(b) From 20 to 55 per cent for ships delivered in from 5 to 9 years after peace.

In case of vessels of special construction the above periods may be extended. In calculating the compensation subsidy for ships lost, regard shall be had to the amount received under insurance policies. In the event of the cost of building being less than the amount estimated, a proportionate amount shall be refunded.

(3) and (4) refer to compensation to crews and for ship's stores and property.

(5) Half the pre-war value of the ship, costs of internment and value of property shall be payable forthwith on decision of the commission.

If the first half of the pre-war value compensation of the ship be not devoted to a contract for the purchase of new tonnage within 3½ years of payment, the same shall be repaid, and owners shall deposit security to cover the same.

The second half of the pre-war value shall be paid at the time of the approval of the new building contract, and the settlement of the excess cost payments.

No grant whatsoever shall be allowed in any cases in which the price of the substitution ship shall have been fixed a too high a figure, for the purpose of obtaining a larger grant, or for any other ignoble cause.

The additional excess cost grants shall be paid at the time of registration under German flag in the case of purchase abroad; in the case of new construction, payments may be made, with the consent of the Chancellor, as the work of building progresses.

Two-thirds of the approximate cost of internment and other claims may be payable by consent of the commission before settlement of the final amount to be paid.

6. The calculation and payment of compensation for considerable damage (Clause 1, Secs. 1 and 2) shall be made in accordance with Sec. 2 of Schedule of Regulations, and shall be calculated and paid in the same manner as for vessels totally lost.

7. The State shall not pay compensation for damage caused by neglect of the owner or his servants.

8. In the event of loss or damage to a ship, incurred during a voyage made after the outbreak of war, and in knowledge of the existence of hostilities, compensation shall be assessed under the law of 1873.

9. The date of peace shall be the date proclaimed by the Chancellor.

In addition to the law following were passed and tacked on to the bill in the form of resolutions:

(a) To request the Imperial Chancellor to institute suitable measures whereby the South German industries shall be considered in a corresponding manner to the present law for the restoration of the German mercantile marine.

(b) To request the Imperial Chancellor to endeavor to influence the proper authorities to promote to the utmost the laying out of the new installations and extensions of yards, and particularly in regard to the existing prohibition of the military authorities against new construction of yards, to point out the great national importance, for the present and the future, of a speedy restoration of the German mercantile marine.

(c) To request the Imperial Chancellor to endeavor to arrange that officers' and crews' quarters on the new subsidized ships shall be hygienic and meet all proper requirements.

TURNING OUT SHIPS.

By November 20, 23 requisitioned vessels had been completed and released; they were commandeered in an unfinished state in private yards. A good many ships of this class will soon be available. Long before spring the new programme, as distinguished from commandeered resources, should be well advanced. Mistakes too many to count were originally made, but what else could be expected in the multitude of counsellors? If all is not order and economy of effort yet, the saw and the riveters hammer are heard on every hand.

The figures given out by the Emergency Fleet Corporation, contracts let for 884 vessels, 426 building vessels requisitioned, and 1,409 of all types to be ready and in service by the end of 1918, including 278 big cargo carriers of 7,500 tons and over 70 transports, are full of encouragement when the warning of Sir Joseph Maclay, the British Controller of shipping is remembered; that unless the United States constructs 6,000,000 tons annually its military efforts will be crippled. It can be done, but only if there is a steady pull, a strong pull, and a pull all together, with a full realization that speed is essential to success in the vast undertaking. The manning of the fleet is another problem. That also calls for organization, mobilization, and the hardest kind of practical effort. No time should be lost in finding the solution and accelerating the ways and means. — New York Times.

COMPARISON OF CANADIAN AND U.S. RAILWAYS.

Commenting on the statement from Washington that the United States railroads have curtailed passenger service by over 20,000,000 passenger train miles per annum, the Canadian Railway Association, a wartime body, asserts that the Canadian railways can point to a decrease of over 10,000,000 passenger miles per annum in Canada, which, in view of the total mileage, is a greater pro rata reduction.

The association further states that Canada is today getting the best and cheapest railway service in the western world. For the year ending June 30, 1916, the charge for moving an average ton of freight one mile in the United States was .716 of a cent. In Canada it was .653 of a cent. In the United States the average passenger mile cost the passenger 2.006 cents, and in Canada it costs him 1.954 cents. At the same time the Canadian railroads paid more for labor and charged less for their services than any of the other roads on this continent.

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