

have a building contractor; he is not the agent, he is doing some work for you but he is an independent contractor. He is not directly in your shoes from the legal standpoint.

Mr. NICHOLSON: I wonder if the witness could clear up this point. The Montreal Shipping Company imposes a very small fee for the service rendered to the Standard Steamship Company while the ship is in Churchill loaded and waiting. The other witness indicated that the Stag Steamship Company was covered by insurance adequately. So if there was damage done the insurance would cover it. It seems to me that it would be a hardship on Montreal Shipping Company if they were asked to cover damage amounting to thousands of dollars, and the same thing with the Rank Milling Company. I would not imagine that they would be liable to pay a fee for transporting grain from Churchill to their mill. It would not appear to me that they should be responsible for the errors made by the Stag Steamship Company.

Mr. FINLAY: I believe that the answer there, of course, is that they themselves are, so to speak, in the business. They have chosen to put themselves in the position of agents for that vessel. There is no injustice. You said that they are receiving a small fee and that consequently it is unfair to charge them with the liability incurred by the vessel. Well, with deference, I suggest that the National Harbours Board is receiving an even smaller fee for the use of this harbour, and yet we may have half a million dollars damage. Who is to pay for that?

Mr. NICHOLSON: Both the agents' offices in Churchill and in London, England—certainly the London offices that looked after the Stag operations were a very modest company. I think a \$15,000 bill would probably put the firm out of business, but the Stag Steamship Company got a sizable amount and were making a good return for the transporting of grain. I think the insurance rates were very high, and it seemed to me that if the agents were liable to this extent they would have to raise their fees a good deal or one bad accident would put them out of business.

Mr. FINLAY: There is one point that should not be overlooked in that connection, that there is absolutely nothing to preclude the agent from joining his principal. If the vessel has done the damage there is nothing to prevent the Montreal Shipping Company, if in fact its principal is supplied with adequate funds, from joining its principal in any action that we may take against it.

Mr. SMITH: He can call him in warranty.

Mr. LANGLOIS (*Gaspe*): The agent may call in the owner warranty if the agent is held responsible for damages caused by the owner; then the insurer of the owner steps in and the owner is covered.

Mr. BRISSET: We do not agree with that. The ship might have left by that time.

Mr. LANGLOIS: But the insurance coverage protects the owner.

The ACTING CHAIRMAN: Order. Let us have this cleared up.

Mr. WINCH: I wanted clarified in my own thinking what I understood was said by Mr. Finlay. I understand that earlier in your remarks you made mention of a charterer on a voyage. I am not quite certain of the term.

Mr. FINLAY: A demise charterer.

Mr. WINCH: I understand you said that a voyage charterer could or should be held responsible if required?

Mr. FINLAY: Yes, a demise charterer.

Mr. WINCH: If that is my understanding, I would like to have a clarification of what that means. For example, any of my friends here of the Liberal party, Conservatives, Socreds or C.C.F., as happens very often in my city of Van-