

The Deputy Minister of Marine on the Shipbuilding Contracts.

Alex. Johnston, Deputy Minister of Marine, is reported to have stated to the Toronto Globe's Ottawa correspondent recently that in concluding contracts for 45 steel steamships, with an aggregate tonnage of 263,850 tons d.w., to cost \$52,691,450 in all, the department contended that it had made arrangements as good as could possibly be made in this country. Mr. Johnston referred to a statement made recently by C. F. Piez, now at the head of the U.S. Emergency Fleet Corporation, when giving testimony before a Senate committee at Washington, to the effect that the cost of ships in construction in the U.S. would be \$225 a ton.

"But why should the price in Canada and the U.S. be so much more than it is in the British Isles?" he was asked.

"It is almost entirely on account of the greater cost of labor to us," said Mr. Johnston. "Just to show you the impossibility of our producing vessels at the same price as they do in the British Isles, let me quote you some comparative figures of wages paid in our shipyards and in those of Great Britain. Shipwrights in Great Britain are paid \$16.50 a week of 50 hours, while in Vancouver, for less efficient labor, we have to pay \$36.30 for a week of 44 hours, an increase of 120%. In the lake yards \$34.45 is paid to shipwrights, and in Montreal \$27.80. This is not an isolated instance, but applies to all kinds of shipbuilders. Take riggers, who get \$13.20 a week of 50 hours in Great Britain, while in Vancouver they are paid \$33 for a 44-hour week, or 140% more; in the lake yards \$31.50 a week is paid to riggers. Machinists, who get \$14.40 a week of 50 hours in England, get \$29.25 in Montreal, \$35.75 a week in Port Arthur and the lake yards generally, including Toronto, and about the same on the Pacific coast. Riveters are paid \$15.55 for a 50-hour week in England, and \$33 generally throughout Canada."

"Is there a similar difference in the price of steel?" he was asked.

"Our information is that the price of steel in Great Britain is \$53 a ton delivered to shipyards, whereas steel is being delivered at Vancouver for \$102.25 a ton, at Port Arthur for \$89.37, at Toronto for \$78.84, and at Montreal for \$96.89."

On being asked to explain the difference between the price at Pittsburgh for steel plates of \$65 a ton and the guaranteed price to the new ship plate mill being erected in Sydney at \$85 a ton, Mr. Johnston said: "You must remember that we made that arrangement before there was any prospect of an armistice, and when the military situation was such that an early ending of the war was very improbable. It was a war expenditure, which we would not have been justified in neglecting at the time. The situation in the U.S. at that time was such that we succeeded in getting only 6,000 tons of plates from March last to the time the armistice was signed. The united efforts of the Marine Department, the War Trades Board and the Canadian War Mission at Washington could not make it any better than this, and if the war had continued the situation would have been worse instead of better. It was intimated to us on more than one occasion that, instead of looking for an improvement, we could expect worse deliveries. The efforts of R. H. McMaster, who was on the Cana-

dian War Mission at Washington, deserve all praise, as through his efforts we got more than we could possibly have obtained otherwise under those circumstances. If the shipbuilding industry were to continue in Canada we had to have a mill to manufacture our own plates.

"You say that we will have to pay \$85, when U.S. plates will be offered at \$65, and we must admit that at once; it is regrettable and unavoidable. We had to do it at the time, and the extra price which we will continue to pay in peace times is really a war expenditure, in that we agreed to pay it on account of conditions made by the war. However, it made the establishment of that industry possible, and will help it to establish itself in the next five years, the price diminishing every six months if the cost of ingots as determined at the end of each six months' period justifies it."

Questioned as to the ratio between the cost of labor to that of material in the construction of ships, Mr. Johnston said that the cost of labor in producing certain sets of boilers and engines amounted in England to \$43,140, compared with \$95,000 in Canada, while the materials for the same engines and boilers in Great Britain would cost \$98,600, and in Canada approximately \$160,000.

"Mr. Piez told the U.S. Senate committee in his evidence that England was paying \$140 a ton. Taking into account the differences in the cost of material and labor here, and the experience of shipbuilders here that labor in England is 25% more efficient, you will see that \$199 a ton as an average condition price is far from being exorbitant. The United States pay more than we do, and their labor costs about the same. They get their steel for the same price at the mill, but the freight is cheaper. The freight rate from Pittsburgh to the coast is \$30.80 a ton, and to Halifax only \$11.87 a ton."

It is probable that the plate mill at Sydney will compete at market prices with U.S. mills in Canada and the U.S. for business over and above the Government's requirements. When normal conditions are restored, and there are abundant supplies of steel, coal and ore to enable the general steel plant at Sydney to maintain a maximum production, the cost of producing pig iron and steel, and consequently the cost of producing ingots, will decline. Under the government contract it will get the benefit of any decline in the price of steel ingots which these or any other conditions may bring about. There is little probability, however, that the price paid by the government will ever get as low as the market price until five years have gone by. The government's requirements will not be only for ship's plates, but for plates for many railway purposes as well. Until the ship plate mill begins manufacturing next autumn the government will have to depend on supplies from the U.S. Last summer delays in deliveries held up shipbuilding, but hereafter no such trouble is anticipated by Mr. Johnston.

W. Grant Morden, of the Canada Steamship Lines, London, Eng., Advisory Committee, has been elected to the British House of Commons for the Brentford and Chiswick Divisions of Middlesex as a supporter of the Unionist Government.

The North Atlantic Passenger Services.

Belfast, Ireland, press dispatch, Dec. 26, 1918.—Contrary to what had generally been anticipated, some large liner tonnage is coming off the ways of British shipyards. Since the signing of the armistice half a dozen large ships have made their maiden voyage or are about to do so.

Enquiry among the British lines brings the explanation that some six months ago the British Admiralty decided that naval construction was in such shape as to permit a switch from naval to mercantile construction. On the strength of this the British shipyards quietly proceeded, it is stated, to complete liner tonnage contracted for long ago, and left in various stages of completion.

The White Star and Dominion lines figure chiefly in the most recent liner deliveries. The Vedic, a new White Star steamship, is a 10,000-ton vessel, and will be operated in one or other of the line's North Atlantic services. The Vedic, which has not yet made her maiden trip to America, was built at the Queen's Island Shipyard of Harland & Wolff, Belfast.

The Dominion Line has two new ships, the Regina, 16,314 gross tons, and the Rimouski, of 10,000 tons, both built by Harland & Wolff. The Rimouski is a sister ship of the Vedic. Besides being important cargo carriers, both the Vedic and the Rimouski will carry one-class passengers, these boats having been specially designed to provide accommodation for those desiring to travel comfortably, but economically.

Another new liner delivered recently by Harland & Wolff is the Minnedosa, of the Canadian Pacific Ocean Services. She is a vessel of 14,000 gross tons with triple screws. She left Liverpool on her maiden trip Dec. 5, and reached St. John, N.B., on Dec. 14, carrying 898 troops and 498 civilians. The Minnedosa is a sister ship of the Melita, which first crossed the ocean in Jan., 1918.

The Alsatian, 18,000 tons, the largest vessel in the Canadian Pacific Ocean Services' fleet, will probably be restored to her regular run in the near future. The Empress of Britain will also be restored shortly to the Canadian North Atlantic service. On the other hand, the Empress of Asia and the Empress of Russia will return to the trans-Pacific run.

Other liners of the C.P.O.S. which have survived the war are: the Virginian, 12,000 tons; the Victorian, 12,000 tons; the Metagama, 12,600 tons; the Scandinavian, 12,100 tons; the Grampian, 12,100 tons; the Scotia, 11,500 tons; the Corsican, 10,000 tons and the Tunisian, 10,000 tons. Sunk during the war were: the Calgarian, 18,000 tons; the Missanabie, 12,600 tons; the Hesperian, 10,920 tons, and the Ionian, 9,000 tons.

St. Lawrence River Improvements Temporarily Disapproved by U.S. Authorities.—A report submitted to Congress by the War Secretary, Dec. 16, contained the statement by the Chief of Engineers, that "until the actual completion of the enlarged Welland Canal and tangible plans for the deepening of the Canadian St. Lawrence River channel and canals from St. Regis to Montreal indicate a prospective navigation by vessels of deeper draft than those now on the Great Lakes," any proposed improvements in the St. Lawrence River between St. Regis, N.Y., and Montreal, to make these waters navigable for ocean going vessels, be disapproved.