

Necessity of employment of Orientals on the Canadian service (p. 6).

Danger of imposing any restriction such as suggested (a) possible curtailment or cancellation of the service (b) unfavourable reaction on Canada-China trade relations and probable reprisals by way of refusal to ship by Canadian lines (pp. 7, 8, 9).

Part 2. Submission regarding impracticability of proposal to require employment by subsidized ships of foreign registry of a proportion of Canadian citizens. Showing that greatly increased subsidies would be required to induce shipowners to provide the services if either or both the above requirements are made (pp. 9, 10, and 11).

VANCOUVER MERCHANTS' EXCHANGE

VANCOUVER, B.C.,

March 2nd, 1936.

MEMORANDUM *re* proposal to require employment of Canadian citizens as crew of vessels receiving subsidies from the Canadian government.

The Vancouver Merchants' Exchange (which organization comprises 226 firms engaged in the Import, Export and Shipping trade at Vancouver) notes the recurrence in parliament of the proposals which have been introduced on several previous occasions in the past few years for the severe restriction or entire prohibition of employment of Orientals on any vessels which receive a subsidy or subvention from the government of Canada, and requirement of employment of Canadian citizens in their stead.

At the present time, with large numbers of Canadian citizens unable to secure employment, this plea may appear to be reasonable and, from a national point of view, quite sound. An examination of the subject, however, reveals that it would be highly inadvisable for the government of Canada to entertain any such suggestion, nor indeed would it be practicable for them to implement it, even were they so minded, as any effort to do so would defeat, in large measure, the very object sought—*viz.* increasing employment of Canadian citizens.

The Vancouver Merchants' Exchange therefore respectfully submits its views on the subject for consideration of the government as follows:—

PART 1

So far as foreign-going ships are concerned the plea is made that vessels operating from Vancouver under Canadian registry; Canadian owned and receiving subsidies from the Canadian government employ a large proportion of orientals in their crew. It is suggested that the Canadian government could compel the operators of such vessels to replace the orientals in their crews by Canadians, by making this a prerequisite qualification for a subsidy.

It can be demonstrated that the cost to the operators of the vessels concerned would far exceed the amount of the subsidies which they receive, and it follows that abandonment of the subsidy would result rather than acceptance of the condition proposed.

The only foreign-going passenger and mail line operating from the Pacific coast of Canada under subsidy from the Canadian government employing orientals in their crews is the Canadian Pacific Steamships Ltd., with four vessels, the *Empresses of Japan*, *Canada*, *Russia* and *Asia*. All these vessels are employed in mail service from Vancouver to Japan and China.